

***United States Court of Appeals
for the Second Circuit***



APPENDIX

77-7041

5/24

In The
United States Court of Appeals
For The Second Circuit

B
P/S

IRANIAN SHIPPING LINES, S.A., A Corporation,
Cross-Claimant-Appellant.

vs.

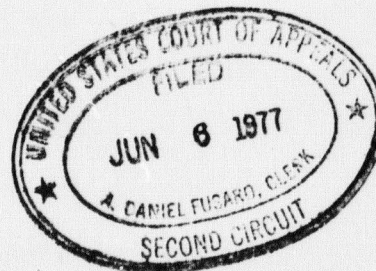
PETER MORAITES, et al.,
Impleaded Defendants-Appellees.

APPENDIX FOR APPELLANT

Volume I, pp. 1a - 200a

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PAGINATION AS IN ORIGINAL COPY

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UNITED STATES DISTRICT COURT

Bright, J.

Date demand date

2 CIV. 139

D. C. Form No. 106 Rev.

IRANIAN SHIPPING LINES, S. A.,
a corporation,

Plaintiff,

-against-

PETER MORATIS; WALTER N. JONES; JOHN
PENSEC; ~~WILLIAM BRY & TRUST COMPANY~~, 1/24/77
CURRENTLY BANK & TRUST COMPANY; ROBERT
DE COTJIS; HASSER AFCHAR; YVONNE AFCHAR;
EDWARD SHINDLER; LIZION PILALAS; JAMES
KATSCOURIS; GEORGE L. MANTA; ~~FRANK J. MANTA~~ 7/23/77
MANTA (a/k/a FRANK MANTA); STEPHEN
E. MANTA (a/k/a STEVE MANTA); LEO J. MANTA
AND FRANK J. MANTA IS CO-EXECUTORS of the
ESTATE OF JOHN L. MANTA; J. L. MANTA, INC.
MANTA VIN-COR STEEL CORPORATION; MANTA
INVESTMENTS, INC.; CHRIST KARAFOTIAS;
SEYMOUR F. DIMON; CHRIST AVALIOTIS; BASIL
VLAVLANOS; ROBERT KREIS; LEVIN, KREIS,
RUSKIN & GYORY, SOUTH SHIPPING COMPANY,
S.A.; TIAN LINE, S.A.; JAN C. UITERWYK;
JAN C. UITERWYK CO., INC.; ARYA SHIPPING
LINES, S.A.; AMBER MARITIME CORPORATION;
AMMET CRAFT; HASK BABAYAN and NOAICH
LILLY & CO., INC.,

Defendants.

POLES, TUBLIN, PATESTIDES & STRATAKIS
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HOWARD L. JACOBS (P.C.)

401 Broadway
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Bank & Trust Co.)

See separate sheet for a

STATISTICAL RECORD	COSTS	DATE	NAME OR RECEIPT NO.	REC.
J.S. 5 mailed X	Clerk	4/5/72	J. Kuskey	N
		4/7/72	USMA	N
J.S. 6 mailed	Marshal			
Basis of Action:	Docket fee			
CLAYTON ACT. U.S.C. 15	Witness fees			
35,650,000				
Action arose at:	Depositions			

BEST COPY AVAILABLE

PROCEEDINGS

DATE

Date of Judgment

RUDOLPH V. ALOSIO,

Plaintiff,

-against-

IRANIAN SHIPPING LINES, S.A.; HASK BABAYAN;
CARGO AND SHIPPING, S.A.; THE MIDLAND BANK & TRUST COMPANY, PARAMUS, NEW JERSEY; GUARANTY
BANK & TRUST COMPANY, CHICAGO, ILLINOIS;
YVONNE AFSHAR; NASSER AFSHAR; DENNIS AFSHAR;
MASSOUME KHALADJ AFSHAR; MANSUR AFSHAR;
MANOCHIK AFSHAR; ~~JOHN L. MANTA~~; GEORGE L.
MANTA; CHRIST KARAFOTIAS; FRANK J. MANTA
(a/k/a MARK FRANK MANTA); LEO J. MANTA;
STEPHEN J. MANTA; J. L. MANTA, INC., an
Illinois corporation, and MANTA-VIN COR
CORPORATION, an Illinois corporation,

Defendants..

Disc 24-73
(amended 6-6-69)

Frank J. Manta and
Leo J. Manta, as
Executors u/w of Jo
L. Manta (6-6-69)

ATLANTIC STEAMERS SUPPLY CO., INC. OF
PENNSYLVANIA, ATLANTIC STEAMERS SUPPLY CO.,
INC., MARITIME FOOD CORPORATION, LEE &
PALMER, INC. and MARINE MAINTENANCE COMPANY,

Intervening Plaintiffs,

-against-

IRANIAN SHIPPING LINES, S.A., HASK BABAYAN,
LILIAN BABAYAN, CARGO AND SHIPPING, S.A.,
MAHMOUD NAZEMI, MIDLAND BANK & TRUST COMPANY,
GUARANTY BANK & TRUST COMPANY, BANK MARKEZI
IRAN, NASSER AFSHAR, ~~JOHN L. MANTA~~, GEORGE L.
MANTA, CHRIST KARAFOTIAS, FRANK J. MANTA
(a/k/a MARK FRANK MANTA), STEPHEN A. MANTA,
J. L. MANTA, INC., MANTA VIN-COR CORPORATION,
PAUL J. FRANGOULIS, ELIAS FRANGOULIS, JOHN
KLIAFAS, ACHILLES KLIAFAS, DEMETRIOS G.
GOUZCULIS, and MARITIME AND MERCANTILE
AGENCIES, LTD.,

Second Defendants.

see above

UUCIL

12-19-73-this action consolidated with 72 Civ. 1392 for all purposes and
proceedings to hear the 72 Civ. 1392 matter.

JUDGE

PROCEEDINGS

Date
Judge

BAY RIDGE OPERATING CO., INC.,

Second Intervening Plaintiff,

- against -

IRANIAN SHIPPING LINES, S.A., HASK BABAYAN,
LILIAN BABAYAN, CARGO AND SHIPPING, S.A.,
MAHMOUD NAZEMI, MIDLAND BANK & TRUST COMPANY
GUARANTY BANK & TRUST COMPANY, BANK MARKEZI,
IRAN, NASSER AFSHAR, JOHN L. MANTA, GEORGE L.
MANTA, CHRIST KARAFOTIAS, FRANK J. MANTA,
(a/k/a MARK FRANK MANTA), STEPHEN A. MANTA,
J.L. MANTA, INC., MANTA VIN-COR CORPORATION,
PAUL J. FRANGOULIS, ELIAS FRANGOULIS, JOHN
KLIAFAS, ACHILLES KLIAFAS, DEMETRIOS G.
GOUZOULIS, and MARITIME AND MERCANTILE
AGENCIES, LTD.,

6-6-69 see other side

Second Defendants.

GULF OIL TRADING COMPANY,

Third Intervening Plaintiff,

-against-

IRANIAN SHIPPING LINES, S.A., HASK BABAYAN,
LILIAN BABAYAN, CARGO AND SHIPPING, S.A.,
MAHMOUD NAZEMI, BANK MARKEZI IRAN, PAUL J.
FRANGOULIS, ELIAS FRANGOULIS, JOHN KLIAFAS,
ACHILLES KLIAFAS, DEMETRIOS G. GOUZOULIS
and MARITIME AND MERCANTILE AGENCIES, LTD.,

Third Defendants.

RISSPM & HALPIN

120 BROADWAY

NY NY

ATTY FOR IRANIAN SHIPPING

962-2000

Blaschke Elias Blaschke & Lerner (Sub. 4-22-77)
1501 Broadway NYC 10036
221-2550 (Capt Iranian Shipping Lines)

JUDGE BRI.

1:

DATE	PROCEEDINGS	Det Judge
JAN 7-67	Filed complaint and issued summons	
Jan 30-67	Filed summons with Marshals return. Served the following: Iranian Shipping Lines S.A. by Nicholas C. Spanos on 1-12-67 (350-5th Ave.) " " " by Mrs. M. Dudek (107 Dellwood Rd., Bronxville, NY)-1-20 " " " by Gus Vogel (17 Battery Pl.)-1-16-67.	
Sep. 5-67	Filed notice of change of address for plttf. pro se	
June 13-68	Filed Deft. Iranian Shipping Lines, S.A. ANSWER	NJT
June 17-68	Filed Pltff. First Amended Complaint	
July 26-68	Filed Deft. Iranian Shipping Lines, S.A. ANSWER to first amended complaint	
Aug. 30-68	Filed affdvt & Notice of Motion for leave to intervene as plttf	
Sep. 3-68	Party-pltffs., Atlantic Steamers Supply Co Inc., et al ret: 9-10-68	
Sep 11-68	Filed Memorandum in support of motion to intervene	
Sep 11-68	Filed Memo End. on motion filed August 30, 1968 - motion consented to. Settle order on consent. - Herlands, J.	
Sep 12-68	Filed Order - granting leave for intervention of Intervening plttfs. Atlantic Steamers Supply Co., Inc. of Pennsylvania, Atlantic Steamers Supply Co., Inc. Maritime Food Corporation, Lee & Palmer, Inc., and Marine Maintenance Company. Ordered that the form of caption of this action in any pleading or other papers hereafter filed herein - Herlands, J. m/n	
Sep 17-68	Issued summons on intervening complaint filed September 12, 1968.	
Oct. 16-68	Filed plttfs. Notice of Deposition of Midland Bank	
Oct. 22-68	Filed Order permitting David L. Corbin or John C. Koster, to make personal service of summons - Olear, Clerk	
Oct. 25-68	Filed Consent Order-the Bay Ridge Operating Co., Inc. and Gulf Oil trading Co. hereby are each granted leave to intervene in above entitled action, and the Clerk of this Court is directed to accept and file the Second Intervening complaint of Bay Ridge Operating Co., Inc. as Second Intervening Pltff. and the third Intervening Complaint of Gulf Oil Trading Company as third Intervening Pltff. both submitted to the Court together with said supporting affdvts. and to note in the docket of this action that said Second Intervening complaint and third Intervening complaint are deemed filed with the Court on the date of this Order. The form of caption annexed as Exhibit "A" hereto may be used as the caption of this action in any pleadings or other papers hereafter filed herein. McGohey, J.	
Oct. 29-68	Filed Intervening complaint of Gulf Oil Trading Co. - summons issued	
Oct. 29-68	Filed Intervening complaint of Bay Ridge Operating Co., Inc. summons issued	
Nov. 1-68	Filed affdvt. of Service of John C. Koster	
Jan. 9-69	Issued additional summons.	
Jan. 14-69	Filed ANSWER of deft. Midland Bank & Trust Co.	JMP
Jan. 15-69	Filed stip and order that the exam. of Midland Bank is further adjourned to 1-8-69. time for Midland Bank as deft. to move or answer the summons and first intervening complaint is extended to 1-15-69 etc. So Ordered--Herlands, J.	
Jan. 27-69	Filed summons and return--served deft. Midland Bank & Trust Co., by Marshal, District of N.J., on 1-14-69.	
Feb. 3-69	Filed ANSWER of deft. Midland Bank & Trust Co. to intervening complaint.	
Feb. 16-69	Filed affidavit and order that the first intervening complaint and summons may be served upon the second defts. as indicated, by Joseph I. Woods, Sheriff of Cook County, etc. So Ordered---Clerk.	
Feb. 21-69	Filed first intervening complaint of Atlantic Steamers Supply Co., et al-issued additional summons.	

RUDOLPH V. ALOSIO VS. YVONNE APSTAR ET AL.

PAGE #2

JUDGE BRIEANT

A.C. 113 Rev. Civil Docket Continuation

PROCEEDINGS

Date
Judge

DATE	PROCEEDINGS	Date Judge
May 19-69	Filed 1st and 3rd intervening pl'tff's affidavit and notice of motion to amend complaint, etc. ret. 6-3-69.	I
May 19-69	Filed memorandum in support of motion for substitution.	
May 19-69	Filed stip and order that time of def't. George L. Manta, Christ Karafotis, Frank J. Manta, Stephen A. Manta, J.L. Manta, Inc. and Manta Vin-Cor to answer or move to complaint is extended to 6-16-69. So Ordered-	
May 21-69	Murphy, J. Filed affidavit of Mary Ann Mustillo of service by mail of motion and supporting papers.	
May 23-69	Filed order that motion for substitution and supporting papers may be served upon Frank J. Manta and Leo J. Manta by Joseph I. Woods, Sheriff of Cook County, or by Winston Arrington, one of his deputies, or by Alan E. Sohn, atty. etc. McLean, J. m/n	
June 3-69	Filed memo. endorsed on motion filed 5-19-69--Motion granted on default. Settle order on notice. McLean, J. Tenney, J.	
June 6-69	Filed/Order that first intervening pl'tff's motion is granted to file amended first intervening complaint and to serve said complaint and summons on such second and third def'ts. as have not heretofore been served and on Frank J. Manta, and Leo J. Manta as executors, etc. Def't. John L. Manta, deceased is dropped as a party-def't. and Frank J. Manta and Leo J. Manta are joined as def'ts. as executors, and the caption of the case be amended as indicated. Tenney, J.	
June 10-69	Filed amended first intervening complaint.	
June 11-69	Filed affidavit of Nicholas Healy, Jr. for issuance of additional summons and service of same.	
June 11-69	Filed affidavit and order that additional summons issued may be serve upon Frank J. Manta or Leo J. Manta, etc. by Joseph I. Woods, Sheriff of Cook County, Chicago, Illinois etc.-issued add'l summons. Clerk.	
Jun. 16-69	Filed affidavit of service by mail of first intervening complaint. additional summons and amended first intervening complaint.	
Jun. 16-69	Filed stip and order that time for second def'ts. Frank J. Manta and Leo J. Manta, as Executors, etc., George L. Manta, Christ Karafotis, Frank J. Manta, Stephen A. Manta, J.L. Manta, Inc. and Manta Vin-Cor to answer or move to complaint. amended complaint. service of process and/or jurisdiction is extended to 8-18-69. So Ordered-Lasker	
Jun. 23-69	Filed ANSWER of def't. Midland Bank & Trust Co. to amended first intervening complaint.	J
Aug. 11-69	Filed stip and order that time for second def'ts. Manta et al. to answer or move to first intervening complaint, amended first intervening complaint, service of process or jurisdiction is extended to 9-8-69. So Ordered--MacMahon, J.	
Aug. 14-69	Filed stip and order that time for second def'ts. Manta et al. to answer or move to first intervening complaint, amended first intervening complaint, service of process or jurisdiction is extended to 9-8-69. So Ordered--MacMahon, J.	
Sept. 9-69	Filed First Intervening pl'tff's notice to take depositions of the following: Stephen J. Manta Christ Karafotis Frank J. Manta	Sept. 24, 1969 Sept. 26-69 Sept. 30-69
Sept. 8-69	Filed stip & order extending time of second def't's to answer or move with respect to the complaint is extended to 9-18-69. So ordered. Lasker, J.	
Oct. 7-69	Filed second def't's affidavit & notice of motion to dismiss complaint, etc. ret. 10-11-69.	
Oct. 7-69	Filed second def't's memorandum of law in support of his motion ret. 10-11-69.	
Oct. 15-69	Issued add'l summons.	

Cont'd on page #3

DATE	PROCEEDINGS
Oct. 15-69	Filed order that the intervening complaint of Bay Ridge Operating Co., Inc., dated, 10-22-68 filed herein & the summons issued thereunder by the clerk on 1-9-69, may be served upon the second deft's as indicated. Clerk.
Oct. 20-69	Filed Intervening plttf's summons & intervening complaint. Affid. of service att'd.
Oct. 20-69	Filed first & third Intervening plttf's additional summons & amended first intervening complaint.
Oct. 21-69	Filed affidavit of S. C. Cook in opposition to motion ret. 10-28-69.
Oct. 21-69	Filed exhibits to affidavit of S.C. Cook in opposition to motion ret. 10-28-69.
Oct. 21-69	Filed affidavit of Nick C. Spanos in opposition to motion ret. 10-28-69.
Oct. 21-69	Filed affidavit of Marion A. Dudek re: motion ret. 10-28-69.
Oct. 21-69	Filed affidavit of E.D. Stamatiou in opposition to motion ret. 10-28-69.
Oct. 21-69	Filed affidavit of R. M. Palmer in opposition to motion ret. 10-28-69.
Oct. 21-69	Filed first Intervening Plttf's affidavit of service by mail.
Oct. 17-69	Filed affidavit of Herman Odell Ref. to letter mailed to Motley, J.
Oct. 27-69	Filed stip to adj. motion by deft's ret. 10-28-69 to 11-18-69.
Oct. 29-69	Filed affidavit by John M. Friedman in ref. to affidavit of deft's.
11-24-69	On call for review - C. R. 23 before <u>SUGARMAN, Ch. S.</u> 300 n/o
Nov 25-69	Filed order that plttf. shall file note of issue within 300 days or action to be dismissed-Sugarman, Ch. J.
Dec 2-69	Filed Interv. plttf Bay Ridge Operation Co. affdvt of service of additional summons, served Frank J. Manta, George L. Manta on 11-3-69 Chicago Ill.; Christ Karafotias 11-22-69; Manta Vin-Cor Corp., J.L.Manta, Inc., Stephen Manta 10-29-69 in Chicago Ill.
Dec 5-69	Filed intervening plttf's first memorandum of law in opposition to motion to dismiss.
Dec 9-69	Filed stip & order extending time for second intervening plttf (Bay Ridge Operating Co., Inc.) & second defts to answer complaint to & including 12-12-69-Sa ordered.
Dec 23-69	Filed second defts affdvt & notice of motion to dismiss second intervening complaint. ret. 12-30
Dec 23-69	Filed second defendants' memorandum of law in support of motion
Dec 2-69	Filed in Court second defts' reply memorandum of law in support of motion to dismiss first intervening plttfs' complaint
Dec 2-69	Filed reply affdvt. of Christ Karafotias in support of motion to dismiss summons & intervening complaint (Filed in Court)
Dec 2-69	Filed in Court reply affdvt of Robert Kreis
Dec 2-69	Filed in Court reply affdvt of Sirius C. Cook on defts' Rule 12(B) motion
Jan 9-70	Filed affdvt of Christ Karafotias in response to communication of Frankel, J.
Jan 9-70	Filed memorandum of law of first intervening plttfs in opposition to motion to dismiss under rule 12(b)
Jan 9-70	Filed Memorandum - The moving defendants motion to dismiss is denied. The cross-motion for discovery will be granted. Settle order on notice-Frankel, J.
Jan 15-70	Filed first & third intervening plttfs affdvt & notice of motion to consolidate ret. 1-27-70 m/n
Jan 20-70	Filed first & third intervening plttfs memorandum of law in support of motion to cons.
Jan 20-70	Filed plttfs memorandum of law in support of motion to cons.
Jan 20-70	Filed first intervening plttfs (Atlantic Steamers Supply Co., Inc. & 4 others notice to take deposition of Peter Moraites on 2-3-70
Jan 21-70	Filed notice of settlement & order that deft's motion to dismiss the amended first Intervening complaint for lack of jurisdiction is denied & plttf's cross-motion for discovery is granted & it is ordered that defts serve upon plttfs & upon each other party herein their answer to the amended first intervening complaint within 20 days after service upon them of a copy of this order & that defts produce on 2-9-70 before the Clerk rm 601, the books & records described in Schedule "A" to this order-Frankel, J. m/n

JUDGE BRIEFANT

D. C. 110 Rev. Civ Docket Continuation

page 11

PROCEEDINGS

Date Of
Judgment

DATE

DATE	PROCEEDINGS	Date Of Judgment
Jan 23-70	Filed copy of order dated 1-21-70 with notice of entry	
Jan 26-70	Filed first intervening pliffs notice to take deposition of Robert R. Kreis on 2-27-70	
Jan 28-70	Filed memo endorsed on motion filed 1-15-70--Motion granted no opposition--Settle order on notice-Cooper, J.	
Feb 18-70	Filed notice of settlement & order that the action 66-3558 be consolidated with 67 Civ. 9 for all purposes & said consolidated action be captioned with the set in Schedule A attached-Cooper, J. m/n	
Feb 25-70	Filed ANSWER of deft Midland Bank & Trust Co. to first amended complaint of pliff J	BL&L
Apr. 30-70	Filed Amended ANSWER of defts. Frank J. Manta, et al.	BL&L
Apr. 30-70	Filed ANSWER of deft. Frank J. Manta, et al.	
Apr 24-70	Filed first intervening pliffs' interrogatories to defts' George Manta, Karafotias, Frank Manta, Stephen Manta, J.L. Manta Inc., Manta Vin-Cor Steel Corp.	
May 1-70	Filed affdvt of service by mail- served notice of substitution on Philip Gelfand, Nicholas Tryforos, John Friedman & Messrs. Booth, Lipton & Lipton	
May 1-70	Filed stip & order os substitution of attys. for second Intervening pliff Bayridge Operating Co. in place of Kirlin, Campbell & Keating-Clerk	
June 3-70	Filed affdvt of Sirius Cook in support of pliff's application to Clerk for a certificate of Default	
June 3-70	Filed Clerk's Certificate noting default	
June 5-70	Filed 1st, 2nd & third Intervening pliffs' affdvt & notice of motion for default judgments for failure to answer interrogs. ret. 6-11-70	
June 5-70	Filed first & second Intervening pliffs' memorandum in support of its motion.	
June 5-70	Filed affdvt of service of Mary Mustillo - Served copy of notice of motion & affdvt. on John Friedman, 60 E 42nd St., Nicholas Tryforos, 350 Fifth Ave., Philip Gelfand, 299 Bway	
June 8-70	Filed affdvt of Sirius Cook in opposition to defts' motion for an extension of time	
June 8-70	Filed pliffs' memorandum in opposition to defts' motion	
June 24-70	Filed second (MANTA) defts' memorandum in opposition to first & second intervening pliffs' motions	
June 24-70	Filed supplemental affdvt of Philip Pierce in opposition & affdvt of Stephen Manta in opposition to motion of intervening pliffs' for the imposition of sanctions	
June 24-70	Filed defts' Manta, Karafotias etc. ANSWER to Intervening complaint of Bay Ridge Operating Co.	
June 24-70	Filed exhibits to affdvts. in opposition	
June 24-70	Filed defts' Manta, Karafotias, J.L. Manta Inc. etc. answers to interrogatories of first intervening pliffs'	
June 25-70	Filed affdvt & order that the amended first Intervening complaint of Atlantic Steamers Supply Co. of Pennsylvania et al & second Intervening complaint of Bay Ridge Operating Co. & the summons may be served upon deft Nasser Afshar by John Koster & it is ordered that an additional summons be issued in respect of said two Int. Complaints herein, permitting answer by deft Nasser Afshar within 30 days after completion of service-Lasker, J. m/n	
June 26-70	Filed stip & order that time for defts' John & George Manta, Karafotias, Leo Manta, Stephen J. Manta, J.L. Manta Inc. & Manta-Vin Cor Corp. to appear & answer to complaint is extended to 7-13-70-So ordered-Lasker, J.	
Jul 13-70	Filed ANSWER of def certain defts' to 1st amended complaint	BL&L
Jul 15-70	Filed defts' Manta et al affdvt & notice of motion for enlargement of time to answer interrogs.	
Jul 15-70	Filed memo endorsed on motion filed this date---Motion has become moot. It has, accordingly, been withdrawn. As is noted here for convenience, is the motion of 2nd intervening pliff for default judgment for failure to answer its complaint. These notations being sufficient for the purposes stated, no further order is required-Frank	

JUDGE D.

DATE	PROCEEDINGS	De Judge
Jul 23-70	Filed stip & order substituting Joseph Ruskay as atty for deft Iranian Shipping Lines-So ordered-Frankel, J.	
Jul 29-70	Filed true copy of order dated 7-23-70 with notice of entry	
Aug 3-70	Filed order that motion of 1st & 2nd Intervening pliffs' be referred to Potter, Gregory J. to hear evidence & report on same, together with his findings & conclusions of law in respect of issues of said motion. Upon 5 days notice to counsel for parties to said motion, given within 10 days after 9-10-70, the Special Master shall, after considering papers on the motion, convene a hearing to determine the order of consideration of said issues by him etc.-Frankel, J. m/	
Nov 5-70	Filed defts' Manta et al & Karafotias supplementary answers to interrogatories of first intervening pliffs'	
Nov 9-70	Filed deft Iranian Shipping Lines S.A. affdvt & notice of motion to admit Nick Spanos as atty ret. 11-17-70	
Nov 9-70	Filed deft Iranian Shipping Lines S.A. memorandum of law	
Nov 9-70	Filed defts' Manta & Karafotias supplementary answers to interrogatories of Intervent.	
Nov 16-70	Filed opposing affdvt of Philip Pierce (for defts' Manta et al) in opposition to motion permitting permitting Spanos to participate as counsel	
Nov 16-70	Filed defts' Manta et al memorandum of law in opposition to motion	
Dec 29-70	Filed defts George L. Manta, Karafotias, Frank J. Manta, Stephen A. Manta etc. second supplementary answers to interrogs. of first intervening pliffs'	
Jan. 8-71	Filed deft's notice to take deposition of Leo Spivack on 1-11-71.	
Jan 8-71	Filed 1st, 2nd & 3rd Intervening Pliffs' affdvt & order to show cause to quash notice of deposition of defts' George L. Manta et al dated 1-7-71 & served by them on Leo Spivack & noticed for 1-11-71 etc.	
Jan 8-71	Filed memo endorsed on show cause order filed this date---Notice of this application was given to Booth, Lipton & Lipton who appeared & did not object to the stay-McLean	
Jan 12-71	Filed reply memorandum of Movant Iranian Shipping Lines, S.A. in support of motion for admission of Nick Spanos	
Jan 12-71	Filed reply affdvt of Nick C. Spanos in support of motion of deft Iranian Shipping Lines S.A.	
Jan 11-71	Filed affdvt of George Manta	
Jan 11-71	Filed affdvt of Philip Pierce (for Manta defts') in opposition to motion to admit Spa	
Jan 12-71	Filed in Court reply affdvt of Sirius C. Cook (for seven 1st, 2nd, & 3rd Intervening pliffs' plus 2 additional pliffs') to strike quoted statement	
Jan 12-71	Filed in Court reply affdvt of Walter J. Letts on behalf of deft Iranian Shipping Line	
Jan 8-71	Filed Intervening pliffs' memorandum in support of pliff's motion	
Jan 13-71	Filed memo endorsed on motion filed 11-9-70---Motion granted-Cannella, J.	
Jan 22-71	Filed Order that motion is granted & that Nick C. Spanos is admitted to Bar of this Court as counsel for deft, Iranian Shipping Lines, S.A. without prejudice however to such rights, if any, said defts' may have to present their objections to the participation of Spanos as trial counsel & it is ordered that motion brought on by order to show cause on 1-8-71 where said Intervening pliffs' moved for quashing of a notice of deposition is hereby dismissed as moot in view of grant of said motion under Rule 3(c)-Cannella, J. m/	
Feb 3-71	Filed defts' George Manta, Karafotias et al answers to interrogs. of First Intervening pliffs'	
Mar 1-71	Filed Manta defts' notice to take deposition of Atlantic Steamers Supply Co. of Pennsylvania, first intervening pliff on 3-15-71	
Mar 1-71	Filed Manta defts' notice to take deposition of Rudolph Alosio, pliff on 3-23-71	
Mar 1-71	Filed Manta defts' notice to take deposition of Bay Ridge Operating Co., Inc., the second intervening pliff on 3-22-71	
Mar 1-71	Filed Manta defts' notice to take deposition of Marine Maintenance Co., first intervening pliff on 3-19-71	
Mar 1-71	Filed Manta defts' notice to take deposition of Lee & Palmer, Inc. 1st intervening pliff (cont'd on pg 6)	

ALOSIO

VS

IRANIAN SHIPPING LINES, S.A. ET AL

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page 2-

JUDGE BRIANT

D. C. 110 Rev. Civl Docket Continuation

PROCEEDINGS

Date of
Judgment

DATE

Mar 1-71 Filed Manta defts' notice to take deposition of Maritime Food Corp., first intervening
pltf on 3-17-71

Mar 1-71 Filed Manta defts' notice to take deposition of Atlantic Steamers Supply Co. Inc.
first intervening pltf on 3-16-71

Mar 1-71 Filed Manta defts' supplemental answers to interrogatories of first intervening pltf

June 21-71 Filed Manta defts' notice to take deposition of Nicholas Spanos, a witness on 7-7-71

June 21-71 Filed Manta defts' notice to take deposition of Iranian Shipping Lines S.A. a deft on

Jul 7-71 Filed Affdvt. and notice of motion for Manta Defts' to Dismiss
Complaint. Re: Deposition. Ret. 7-15-71

Jul 7-71 Filed Manta Defts' Memorandum of Law in support of motion

Jul 8-71 Filed deft's (Midland Bk & Tr. Co) affdvt & notice of motion to strike complt.
Ret. 7-15-71

Jul 15 71 Filed ORDER that counsel for the deft Iranian Shipping Lines, may use an
electric tape recorder to record testimony during the depositions upon
conditions as indicated. McLean J. (mailed notices)

Jul 15 71 Filed 1st, 2nd, 3rd Intervening Pltffs affdvt & notice of motion ret. 7/29/71
Re: Contempt.

Jul 15 71 Filed Exhibits "1" thru "15" to affdvt of Sirius C Cook, in support of motions
under 18 USC S. 401, 28 USC S. 1927, etc. and Rule 37.

Jul 15 71 Filed Intervening pltffs' memorandum of law in support of motion, under

Jul 23-71 Filed deft Iranian Shipping Lines, S.A. notice to take deposition of Chemical Bank of
NY on 7-30-71

Jul 23-71 Filed deft Iranian Shipping Lines S.A. notice to take deposition of Chemical Bank
of NY on 7-30-71

Jul 28-71 Filed affdvt of Sirius Cook (for 1st, 2nd & 3rd Intervening pltffs') in opposition
to Manta defts' motion

Jul 28-71 Filed affdvt of Philip Pierce (for certain defts') in opposition to Manta defts' mot.

Jul 28-71 Filed affdvt of John Friedman (for deft Midland Bank & Trust Co.) in connection
with motion of Intervening pltffs'

Jul 28-71 Filed defts' memorandum of law in opposition to intervening pltffs' motion

Jul 27-71 Filed Manta defts' affdvt & notice of motion limiting cross-examination of deft Manta
etc. ret. 7-29-71 (Protective order)

Jul 27-71 Filed Manta defts' memorandum of law in support of motion

Jul 30-71 Filed memo endorsed on motion filed 7-7-71---Motion withdrawn-So ordered-Lasker, J.

Jul 30-71 Filed stip and order that the motions by defts Manta and deft Midland Bank
to strike the complaint of pltf both adjourned to 7-29-71 are withdrawn,
2, that pltf will appear for examination on 9-13-71 Lasker J. (filed in court.

Jul 30-71 Filed Transcript of record of proceedings, SDNY dated 1-18-71

SEPT 8 71 Filed Consents & Order that Royall, Kogel & Wells of 200 Park Ave NYC be
substituted as attys for Midland Bank & Trust Co. in place of John M.
Friedman --- So Ordered- Gurfein J.

SEPT 9 71 Filed MEMO ENDORSED on motion papers filed 7-27-71, "Motion disposed of in accordance
with stipulation and order submitted and signed this day. So Ordered- Gurfein J."

SEPT 9 71 Filed MEMO ENDORSED on motion papers filed 7-8-71, "Motion disposed of in accordance
with stipulation & Order submitted and signed this day. So Ordered - Gurfein J."

SEPT 9 71 Filed Stipulation Re: examinations upon oral questions; Special Master; motion
of Intervening pltffs dtd 7-14-71; Motion by Manta Defts dtd 7-22-71.
So Ordered- Gurfein J.

SEPT 9 71 Filed ORDER that Samuel C. Coleman Esq. of Central Park West NYC is hereby
appointed as Special Master for the purpose and with the powers set out in
stipulation dtd 9-8-71, his fees to be fixed by Court upon completion of his
assignment. Gurfein J. (mailed notices)

SEPT 20 71 Filed Oath of Special Master Samuel C Coleman.

DATE	PROCEEDINGS	Dea Judge
SEP 29 71	Filed Stip & Order that motion by Intervening pliffs dtd 7/14/71 before Lasker, J. seeking relief against counsel for the 2d and 3rd defts is hereby withdrawn, with prejudice. Lasker, J.	
OCT 21 71	Filed Special Master's Report by Gregory J Potter with Notice of filing.	
OCT 26 71	Filed ORDER that Alfred A Porro Jr. of 10 Stuyvesant Ave. Lyndhurst N.J. be permitted to participate as counsel or advocate on behalf of pliff. Gurfein J. m/n	
NOV 3 71	Filed Affdvt & notice of motion RET. 11-16-71 by First, Second & Third Intervening Pliffs, for modification of Masters' report.	
Nov 4-71	Filed Manta defts' affdvt & notice of motion to modify Special Master Potter's report & to confirm as modified ret. 11-16-71	
Nov 4-71	Filed Manta defts' memorandum of law in support of its motion to modify report	
11-29-71	Filed Transcript of record of proceedings, dated 7-29-71	
JAN 21 72	Filed Manta Defts' memorandum of law in opposition to intervening pliffs' motion to modify report & otherwise confirm.	
JAN 21 72	Filed Affdvt of Philip Pierce, counsel for so-called Manta Defts in opposition to motion of intervening pliffs to set aside and modify certain portions of the report of G.J. Potter, as Special Master filed 10-21-71.	
JAN 21 72	Filed MEMORANDUM of Frankel, J. --- "The court concludes that the Magistrate's recommendations as to relief should be followed. The Court now orders that the movants are to be paid by the defts here involved, who are jointly and severally liable for the payment, the sum of \$1000. within 30 days from the date of this order, as counsel fees and costs under FRCP 37 and these defts are barred from using at trial any document within the terms of the aforesaid order of Jan 20 1970, unless that document, or a substantially exact copy thereof, was produced for the movants herein prior to 2-23-71. It is so ordered. Frankel J (mailed notices)	
MAR 1 72	Filed Dert Iranian Shipping Lines, S.A. Cross-claims against the impleaded defts & demands a jury.	
MAR 17 72	Filed Stip & Order that the time of the "Manta Defts" to answer or move with respect to the Cross-claim is hereby extended to April 11 1972. So Ordered- Brieant, J.	
MAR 21 72	Filed Stip & Order that the time of The Midland Bank to answer or move with respect to the Cross-claim is hereby extended to April 11 1972. So Ordered- Brieant J.	
MAR 17 72	Filed Interrogs by the Manta Defts directed to the first intervening pliffs and the Second Intervening pliff.	
MAR 22 72	Filed Defts George L Manta, Christ Karafotias, Frank J Manta, Stephen A Manta, J.L. Manta, Inc., Manta Vin-cor Steel Corp. and Frank J Manta and Leo J. Manta, as Executors under the Will of John L. Manta (herein called the "Manta Defts") Request for production of documents.	
MAR 22 72	Filed Cross-claimant, Iranian Shipping Lines S.A. amendment of cross-claim as of course under the provisions of Rule 15 (a) FRCP.	
APR 5 72	Filed Cross-Claimant Iranian Shipping Lines S.A. Second Amendment of Cross-claim as of course.	
APR 6 72	Filed Stip & Order that time of asft Iranian Shipping Lines S.A. to respond to or object to the request for production of documents dtd 3-21-72 is ext. to Apr. 26 1972. So Ordered- Brieant J.	
APR 12 72	Filed Stip & Order that the time of the Midland Bank to answer or move with respect to the Cross-claim is ext. to May 1 1972. So Ordered- Brieant J.	
APR 26 72	Filed Cross-claimant, Iranian Shipping Lines S.A. amendment of its Cross-claim, as of course.	JAR
	See page # 8	

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DATE	PROCEEDINGS	ASSIGNED TO BRIEANT, J.	Date On Judgment
APR 27-72	Filed Stip & Order that the time of the Manta Defts to answer or move with respect to the Cross-claim is hereby ext. to May 1 1972. So Ordered- Briant J.		
MAY 31 72	filed Reply Affidvt of Paul M. Hopkins, atty for deft The Midland Bank.		
JUNE 1 72	Before Briant J. - Hearing held - Decision Reserved		
JUNE 2 72	Filed Cross-Claimant Iranian Shipping Lines S.A. Notice of motion for Order granting leave to join Nick C Spanos, individually and as a stockholder of ISL on his own behalf and on behalf of all other stockholders of ISL, as an additional Cross-claimant herein; to amend the Cross-claim herein under FRCP 15.		
JUNE 2 72	Filed Memo of law in support of motion to join filed this day.		
JUNE 2 72	Filed Affidvt on behalf of intervening pliffs in support of ISL's motion upon its cross-claim and in opposition to deft Midland Bank's motion to vacate certain appearances.		
JUNE 2 72	Filed Notice of motion & supporting affidvt by Iranian Shipping Lines, S.A. to grant leave to join in this action and bring in as additional parties the persons indicated.		
JUNE 2 72	Filed Memo in support of motion of deft ISL, Cross-claimant, for an order granting leave to file and serve cross-claim against certain additional parties.		
JUNE 2 72	Filed Notice of motion by Deft Midland Bank & Trust Co. for an order dismissing the Cross-claim filed by Iranian Shipping Lines, and vacating the appearances of Joseph A Ruskay and Nick C Spanos, Esqs., attys for Iranian Shipping Lines.		
JUNE 2 72	Filed Cross-claimant's Reply affidavit. (Nick C Spanos atty for ISL)		
JUNE 2 72	Filed Memo of cross-claimant ISL in opposition to motions to dismiss cross claim, to vacate appearances of J.A. Ruskay & N.C. Spanos, etc.		
JUNE 2 72	Filed Memo in opposition to the motion of ISL to bring in additional parties and in support of The Midland Bank's cross-motion to dismiss and vacate etc.		
JUNE 2 72	Filed Notice of motion by the Manta Defts to dismiss "Cross-claim" by Iranian Shipping Lines S.A.		
JUNE 2 72	Filed Memo of law in support of motion to dismiss "Cross-claim" by ISL, S.A.		
JUNE 2 72	Filed Affidvt of Philip Pierce, on behalf of the Manta Defts.		
Jul 24-72	Filed stip & order extending deft Nasser Afshar's time to appear, answer with respect to the Intervening Complaints to 7-31-72 So ordered-Briant, J.		
Jul 24-72	Filed Summons with Marshall's return--Served Nasser Afshar on 6-27-72		
Jul 24-72	Filed Additional Summons & second intervening complaint--Served Nasser Afshar on 6-27-72		
Jul 31-72	Filed stip & order extending time of deft Nasser Afshar to answer complaint to 8-31-72 So ordered-Briant, J.		
Aug 31-72	Filed Stip and Order that the time for deft Nasser Afshar to answer the Intervening Complaints is extended to and including 9-29-72. GAGLIARDI, J.		

Continued on Page 9
over

FPI-LK-12-63-12M-2945

- Feb 28-73 Filed stip & Order that Kissam & Halpin be substituted for Nick C. Spanos & Joseph A. as atty 's for Iranian Shippings Lines, S.A. in this action, So Ordered Brieant J.
- Mar 2-73 Filed stip & order that the time for the defts, George L. Manta, Helen Manta, Manta, Stephen J. Manta, Leo J. Manta, & Mark F. Manta as co-executors of the of John L. Manta, Manta Inc, Manta-Vin Cor Steel Corp & Manta Investments, Inc Christ Karafotias, Paul Demosa Seymour F. Simon, Demos Karafotias & Chronos & to answer the amended cross-claims is extended to 3/28/73. So Ordered Brieant
- Mar 5-73 Filed stip & order that the time for Amber Maritime one of the impleaded defts. to answer the third party complaint is extended to 3/30/73. So Ordered Brieant J.
- Mar 15-73 Filed memo endorsed on motion papers dtd. 11/28/72. Motion denied in accordance with the same reasons as set forth in the prior memorandum of this court dtd. 10/20/72. present stage of the litigation no prejudice to movant appears, should a severance issue be required prior to trial the court reserves the right to provide if the Ir. of Justice requires, So Ordered Brieant J. m/n
- Mar 15-73 Filed stip & order that the opposing papers previously filed on behalf of 3rd party p Iranian Shipping lines, S.A. in the aforesaid other four motions be deemed submitted in to the present motion of Amber Maritime Corp. and that the atty's for Amber Maritime C submit reply papers thereto in accordance with the rules of this honorable court, So O Brieant J.
- Mar 15-73 Filed deft Iranian Shipping lines, S.A. memo in opposition to motions for additional
- Mar 15-73 Filed deft Manta's sur-reply affidavit by Philip Pierce.
- Mar 15-73 Filed defts "Mantas" reply affidavit by Philip Pierce/
- Mar 15-73 Filed defts Nick C. Spanos & Iranian Shipping Lines, S.A. reply affidavit.
- Mar 15-73 Filed deft. Spanos & Iranian Shipping Lines, S.A. rejoinder affidavit in opposition to cross-claims.
- Mar 15-73 Filed deft. Robert Kreis' affidavit.
- Mar 15-73 Filed Impleaded Defts. reply affidavit by William J. Honan III.
- Mar 15-73 Filed deft Spanos & Iranian Shipping Lines S.A. affidavit opposing motions to dismiss
- Mar 15-73 Filed Impleaded deft. Amber Maritimes' memo in support of motion to vacate Order, grant to bring in the third party.
- Mar 15-73 Filed memo in support of motion of Impleaded defts Arya National Shipping Lines and No and co. Inc. to vacate the order granting leave to bring in third party.
- Mar 27-73 Filed stip "order that the time for Arya Shipping Lines, S.A. & Norton Lilly & Co. Inc the complaint is extended to 4/27/73. So Ordered Brieant J.
- Mar 30-73 Filed impleaded defts, Robert Kreis and Levin, Kreis, Ruskin & Cyos to the complaint.
- Apr 2-73 Filed Stip and Order that the time for defts Geo. L. Manta, H. Manta, M. S. Manta, L. Manta and M. Manta as co executors of the estate of J. M. J.L. Manta, Inc. Manta Vin-Cor Steel Corp, Manta Investments, Inc. C. Karafotias, P. Demos, S. Simon, D. Karafotias & Chronos, and Tellis Demos, 4-27-73

Apr 11-73	Filed Stip and Order that the time for Amber Maritime Corp to answer with respect to the Amended Cross-claim (third party complaint) in the above captioned action be extended from 3-30-73 to 4-13-BRIEANT, J.
Apr. 12-73	Filed Impleaded Deft AMBER MARTIME CORP answer to the cross-claim or 3rd party complaint for damages of the deft-3rd party plttf.
Sep. 20-73	Filed stip. & order extending time of Iranian Shipping Lines to answer interrgs. Arya Shipping Lines, et ano to 10-2-73--Brieant, J.
Sep. 20-73	Filed stip. & order extending time for 3rd pty. deft. Spanos to answer 3rd pty. com to 9-28-73--Brieant, J.
Oct. 10-73	Filed intervening plttfs & deft. & cross-claimant's request for prod of documents.
Oct. 12-73	Filed stip. & order adjourning motion of Seymour Simon to dismiss amended cross-claim to 10-24-73--Brieant, J.
Oct. 12-73	Filed stip. & order extending time for 3rd pty. deft. Spanos to answer 3rd pty. com to 10-19-73--Brieant, J.
Oct. 16-73	Filed deft & cross-claimant's interrgs. of impleaded deft's South St Iran Line, Jan C. Uiterwyk, Jan C. Uiterwyk Co., Arya Shipping Amber Maritime Corp., & Norton Lilly & Co., Inc.
Oct. 17-73	Filed answers of cross-claimant Iranian Shipping to interrgs.
Oct. 17-73	Filed answers to interrgs. by Iranian Shipping Lines of deft. Arya Shipping Lines.
Oct. 19-73	Filed reply memorandum in support of motion to dismiss amended cross-claim as to Se
Oct. 29-73	Filed stip. & order extending time for 3rd pty. deft. Spanos to answer to 11-2-73-Brieant, J.
Nov. 19-73	Filed stip. & order extending time for 3rd pty. deft. Spanos to answer 3rd pty. com to 11-26-73-Brieant, J.
Nov. 20-73	Filed transcript of record of proceedings of 9-14-73--Brieant, J.
Nov 30-73	Filed ANSWER of third-party deft. & Jury Demand
Dec. 19-73	Filed memorandum & order consolidating this action with 72 Civ. 1392 for all purposes and that all papers hereinafter served or filed re: claims or defenses shall be filed in the file No. 72 Civ. 1392--that the provisions of this order have been directed to the prejudice to the right of any party to make application to the Court, if so advised at any time prior to trial for an earlier or separate trial of any particular claim or issue--that the action numbered 67 Civ. 9 is discontinued without prejudice to all actions and proceedings heretofore had therein--Brieant, J.
1/23/74	Filed motion - withdrawn on motion dated June 4, 1973 - motion denied (12/10/73) So ordered Brieant, J.
6-20-74	Filed transcript of record of proceedings, dated 1-5-73
02-10-75	Filed Transcript of record of proceedings. Dec 30-74 (also for 72 Civ 1392)
09-24-76	Filed order re-opening proceeding and consolidating same with 72 CIV for all purposes -- Werker. J

JUDGE L
72 CIV. 1

DATE	PROCEEDINGS	
MAY 12-72	FILED COMPLAINT. ISSUE OUTSTANDING.	
MAY 12-72	Filed Notice of Deposition.	
MAY 12-72	Filed ANSWER of defendants: Robert Kreis, Levin, Kreis, Rushkin & Gyory, to complaint.	
MAY 12-72	Filed Dfts. Robert Kreis Notice of Deposition upon Iranian Development Co., S.A.	
MAY 17-72	Filed Notice of Motion. Re: For Security for costs, ret. in room 905 on 5/11/72 at 2:00 p.m.	
MAY 17-72	Filed Demand by Dfts. Robert Kreis, for a verified statement setting forth the names, etc., of Iranian Shipping Lines, S.A.	
MAY 17-72	Filed Demand by Dfts. Robert Kreis, for a verified statement setting forth the names, etc., of Walter Johnson Letts, etc.	
MAY 18-72	Filed Dft. Memorandum of Law for Robert R. Kreis. (1/1/72) (1/1/72)	
MAY 19-72	Filed stipulation and order extending The Midland Bank's time to answer complaint to 5/31/72. So ordered. Brieant, J.	
MAY 23-72	Filed Notice of Appearance of Norton, Lilly & Co., Inc.	KCB
MAY 25-72	Filed Stip & Order extending time for Arya National Shipping Lines S.A. to answer to complaint is 6/14/72. Brieant J.	
MAY 25-72	Filed Dft. Norton Lilly & Co., Inc. ANSWER.	KCB
MAY 25-72	Filed Dft. Norton Lilly & Co., Notice of deposition.	
JUN 1-72	Filed (in court) Reply Affidavit.	
JUN 1-72	Filed Plaintiffs' Response to Demand under Rule 1 of Civil Rules SDNY.	
JUN 1-72	Filed Notice of Motion re: leave to join or add a party pltr, to amend complaint. (by pl	
JUN 1-72	Filed Affidavit of Nick C. Spanos.	
JUN 1-72	Filed Memorandum of Law in support of motion to join Nick C. Spanos as co-pltr, etc.	
JUN 1-72	Before Brieant, J. Hearing held. Decision Reserved.	
JUN 8-72	Filed Stip & Order extending time to answer to complaint for dft. Amber Maritime Corp., to 6/20/72. So Ordered Cannella J.	
JUN 12-72	Filed Stip & Order extending time for dft. Arya Nat'l Shipping Lines S.A. to answer to complaint to 7/5/72. So Ordered Brieant J.	
JUN 15-72	Filed Stip & Order extending time for dft. Basil Vlavianos to answer to complaint to 7/17/72. So Ordered Brieant J.	
JUN 15-72	Filed Dft. Notice of Appearance & Demand for dft. Basil Vlavianos. M.L.	
JUN 14-72	Filed Pltff Amendment xxx of complaint as of course.	
JUN 16-72	Filed Stip & Order extending time for dfts. George L. Manta, Frank J. Manta, etc., Stephen A. Manta, etc., Leo J. Manta, et al. extending to answer to complaint to 7/12/72. So Ordered Brieant J.	
JUN 21-72	Filed stipulation and order extending dfts. South Shipping Co., S.A., Iranline S.A., Jan C. Uiterwyk and Jan C. Uiterwyk Co. Inc.'s time to answer complaint to 7/15/72. So ordered. Brieant, J.	
JUN 21-72	Filed stipulation and order extending The Midland Bank and Trust Co.'s time to answer complaint to 7/1/72. So ordered. Gurfein, J.	
JUN 29-72	Filed Interrogatories propounded by dft. Amber Maritime Corp. to plaintiff.	
JUN 29-72	Filed ANSWER of dft. Amber Maritime Corp. to complaint.	
JUN 30-72	Filed Stip & Order that the time for Arya National Shipping Lines S.A. to answer to complaint to 7/25/72. So Ordered Brieant J.	PTMS
JUL 10-72	Filed Dft's Notice of Motion, Re: Dismiss Action, Ret: 7/18/72 (Robert Kreis)	LEBAQ
JUL 10-72	Filed Dft's Memo in Support of Motion to Dismiss	
JUL 6-72	Filed Dft's Guaranty Bank & Trust Co. Re: Dismiss Amended Complaint, Ret, 7/18/72	H.L.Y.
JUL 6-72	Filed notice of motion --	
JUL 6-72	Filed Dft's Memo of Law in support of motion to DISMISS (Guaranty Bank & Trust Co.)	
JUL 12-72	Filed Stip & Order extending time for Pltff, to answer Interrogs of AMBER MARITIME CORP. is extended to 30 Days after Judge Brieant has decided various motions now pending before him, etc. such time shall expire 8/15/72, So Ordered, Brieant J.	
JUL 17-72	Filed Dft's James Katsouris ANSWER to complaint	JK

SEE PAGE 2

BEST COPY AVAILABLE

A SHIPPING LINES, S.A. a CORP. vs PETER MORALES, et al.

72 Civil 1200

C. 110 Rev. Civil Docket Continuation

PROCEEDINGS

Judge

DATE	PROCEEDINGS	Judge
Jul 13-72	Filed Summons With Marshalls Ret. (see return)	
Jul 21-72	Filed Stip & Order extending time for Deft to answer complaint is extended to 7/28/72, So Ordered, Brieant J.	
Jul 21-72	Filed Stip & Order extending time for Deft Basil Vlavianos to answer Pltiff's complaint is extended to 8/7/72, So Ordered Brieant J.	
Jul 25-72	Filed Stip & Order extending time for deft Guaranty Bank & Trust Co. to dismiss amended complaint is extended to 9/12/72, So Ordered, Brieant J.	
Jul 26-72	Filed Stip & Order extending time for defts George L. Manta, Frank J. Manta, Stephan A. Manta, Leo J. Manta and Frank J. Manta as Co-Executors of the estate of John L. Manta; J.L. Manta, Inc. Manta Vin-Cor-Steel Corp; Manta Investments, Inc. Christ Karafotias; Seymour F. Simon; & Christ Avalitis, to answer compalint or summons is extended to 9/15/72. So Ordered Brieant J.	
Jul 27-72	Filed Stip & Order extending time for Defts Arya National Shipping Lines S.A. to answer complaint is extended to 8/14/72, So Ordered Brieant J.	
Jul 31-72	Filed Stip & Order extending time for Deft Midland Bank & Trust Co. to answer this action is extended to 9/15/72, So Ordered, Brieant J.	BS&
Aug 2-72	Filed deft John Pensec's ANSWER to Amended Complaint.	
Aug 11-72	Filed Stip & Order that the time for dft. Arya Nat'l Shipping Lines S.A. to answer to complaint is extended to 8/28/72. So Ordered Bauman J.	
Aug 25-72	Filed Stip & Order extending time for Deft Arya National Shipping Lines, S.A. TO answer the complaint is extended to 9/11/72, So Ordered Bauman J.	
Sept 5-72	Filed Defts Amber Maritime Corp. ANSWER to Amended Complaint.	PTI
Sept 11-72	Filed Stip & Order that the motion for deft Guaranty Bank & Trust Co. for an order dismissing the Amended Complaint is adjourned to 10/6/72, So Ordered Brieant J.	
Sept 11-72	Filed stip & Order that the time for the deft Arya National Shipping Lines, S.A. to answer the complaint is extended to 9/25/72, So Ordered Brieant J.	
Sept 18-72	Filed summons with marshalls ret, Unable to serve Milton Pilelas.	
Sept 26-72	Filed stip & order that the time for deft Arya National Shipping Lines, S.A. to answer the complaint is extended to 10/13/72. So Ordered Brieant J.	
Sept 29-72	Filed defts Midland Bank & Trust Co. Affidavit by xxxx Paul M. Hopkins.	
Sept 29-72	Filed Pltiffs reply affidavit in support of application for admission of Nick C. Spanos Pro Hac Vice.	
Sept 29-72	Filed Richard Gynry's reply affidavit to affidavit submitted by Nick C. Spanos.	
Sept 29-72	Filed Memo of law in opposition to defts Motion to dismiss for failure of plttf to appear for deposition, etc.	
Sept 29-72	Filed defts Mantas opposing affidavit on motion to admit pro hac vice.	
Sept 29-72	Filed Pltiffs notice of application by Nick C. Spanos and Iranian Shipping Lines for a protective order,	
Sept 29-72	Filed xxxx memo end. on motion papers filed July 7, 1972 by defts Kreis et al The motion has been disposed of by this endorsement. No additional order necessary So Ordered Brieant J. m/n	
Sept 29-72	Filed memo end on motion papers filed July 6-72. This motion is referred to Honorable Samuel C. Coleman as Special Master to hear and report as to whether jurisdiction exists pursuant to 302(a)(1)(2) of the N.Y. CPLR. as applied by rule 4(e) FRCP. and whether venue is proper. The responsibilities of reference shall be discharged concurrently with prior reference to Judge Coleman on relation to Iranian Shipping Lines S.A. previously ordered by Judge Gurfein of this court So Ordered Brieant J. m/n	
Sept 29-72	Filed memo of Law.	
Sept 29-72	Filed memo end on motion papers filed Sep 29-72. that Joseph A. Ruskay, shall continue as the atty of record and that thier office shall be the designated place for service of all papers upon Ruskay/Spanos. Spanos shall make himself	

OVER

SEE OTHER SIDE

DATE	PROCEEDINGS
	available at that office for purposes of receiving all process or shall designate Mr Ruskay to receive same during ordinary business hours. So Ordered Brieant J.
Sep 29-72	Filed Pltffs notice of motion. Re; Admit Atty. Ret before Brieant J.
Sep 29-72	Filed memo end on motion papers filed July 10, 1972. The within motion to dismiss is denied. the within motion to punish for contempt is denied. The motion to strike the name of Spanos from the papers is denied. The cost of these additional proceedings before the special master shall abide the event. as indicated. So Ordered. Brieant J.
Oct 2-72	Filed stip & order that the motion of deft Guaranty Bank & Trust Co. dismissing the complaint is adjourned to 11/6/72. So Ordered Brieant J.
Oct 26-72	Filed stip & order that the time for deft Arya National Shipping Lines, S.A. to answer the complaint is extended to 10/30/72. So Ordered Brieant J.
Nov 3-72	Filed stip & order that the time for the deft Arya National Shipping Lines, S.A. to answer the complaint is extended to 11/14/72. So Ordered Brieant J.
Nov 14-72	Filed stip & order that the time for the deft Arya National Shipping Lines S.A. to answer the complaint is hereby extended to 12/14/72. So Ordered Brieant J.
Dec 14-72	Filed Pltffs answer to Interrogatories dtd June 27, 1972 propounded by deft. Amber Maritime Corp.
Dec 18-72	Filed stip & order that the time for deft Arya National Shipping Lines, S.A. to answer the complaint in this action is extended to 1/30/73. So Ordered Brieant J.
Jan 24-73	Filed stip & order that this action with respect to said defts Midland Bank & Trust Co, & Walter N. Jones is hereby discontinued with prejudice and each party to bear its own costs. So Ordered Brieant J.
Feb 5-73	Filed stip & order that the time of Arya National Shipping Lines, S.A. to answer the complaint is extended to 2/28/73. So Ordered Brieant J.
Feb 27-73	Filed deft. Amber Maritime Corp's Notice of motion, Re; Answer Interrogatories, ret. before Brieant J.
Feb 27-73	Filed memo endorsed on motion papers dtd. 2/27/73. Motion has been withdrawn. No Order is necessary. So Ordered Brieant J. m/n
Feb 28-73	Filed stip & order that Kissam & Halpin be substituted for Nick C. Spanos & Joseph A. Ruskay as atty's for Iranian Shipping Lines, S.A. in this action So Ordered Brieant J.
Mar 16-73	Filed defts memo of law
Mar 21-73	Filed stip & order that the time for the deft Arya National Shipping Lines, S.A. to answer the complaint is extended to 4/27/73. So Ordered Brieant J.
Aug. 31-73	Filed Report of Special Master, Samuel C. Coleman.
Nov. 9-73	Filed supplemental report of Special Master Samuel C. Coleman.
Nov. 27-73	Filed deft Guaranty Bank's objections to report of Special Master.
Nov. 30-73	Filed certificate of mailing complaint and summons by registered mail to AHMET CHAFIK 86 Vessel Shirazi Tehran, Iran # 455848.
Dec. 18-73	Filed ANSWER to supplemental summons & amended complaint of Ahmet Chafik- c/o Banque Estebarate Iran- 50 Sevom Esfand Ave.
Dec. 19-73	Filed memorandum & order consolidating this action with 72 Civ. 1392 for all purposes and that all papers hereinafter served or filed re: claims or defenses shall bear the file No. 72 Civ. 1392--that the provisions of this order have been directed with prejudice to the right of any party to make application to the Court, if so advised, at any time prior to trial for an earlier or separate trial of any particular claim or issue--that the action numbered 67 Civ. 9 is discontinued without prejudice to all actions and proceedings heretofore had therein--Brieant, J.-(consented to)
Dec-28-73	Filed affdvt. and O.S.C. by deft. Iranian Shipping Lines, S.A. - why an order should not be made directing Guaranty Bank to produce documents specified. - ret. 1-3-74 at 4 PM in Rm 906. - Carter, J.
Jan- 2-74	Filed notice of re-assignment to Judge Garfein.

Iranian Shipping Lines S.A. vs. Peter Marites, et al.

JUDGE [illegible]

DATE

Feb-19-74 Filed Order that the reference made by order of this court entered on 2-2-74, of certain matters therein provided for to Samuel C. Coleran of 2 West 60th St., NYC as Special Master, be deemed completed, and that any requirements that he file a Report with the Court or any affdvt. as to the quantum of services rendered by him as such Special Master, are hereby deemed satisfied; and further ordered that the Court hereby sets as the compensation payable to said parties as aforesaid to Samuel C. Coleran, Esq. as his compensation for acting as such Special Master the sum of \$15,000. - Gurfein, J. m/n

Feb-21-74 Filed for Deft. Amendment to Pretrial Report.

Feb-26-74 Filed stip. and order that the last day for cross claimant Iranian Shipping Lines to answer interrogs of B. Vlavianos is ext. to 3-20-74 - Gurfein, J.

May-29-74 Filed pltf's answers to interrog. addressed to Iranian Shipping Lines.

Jun-14-74 Filed supplemental report of Special Master.

Jun-14-74 Filed OPINION #40820 confirming the report of the Special Master and the court holds that, in the circumstances of this multiple defendant action, there is proper venue in this district. The motion to dismiss on behalf of the Guaranty Bank and Trust of Chicago on the ground of improper venue is denied. It is so ordered. -- Gurfein, J. m/n

6-7-74 PRE-TRIAL CONFERENCE HELD BY Gurfein, J.

Jun-27-74 Filed stip. and order THAT the date by which the impleaded defendants must serve answers to the interrog. of deft. Iranian Shipping Lines is ext. to 8-1-74 -- Gurfein, J.

Jul-11-74 Filed consent order that the time for 3rd pty deft. Amber Mariti to answer interrog. by deft. Iranian Shipping Lines is ext. to 8-2-74 -- Criesa, J.

Jul-22-74 Filed Iranian Shipping Lines affdvt. and notice of motion/for an Joseph A. Ruskay, Esq) that he shall be given notice of any of the plaintiffs herein and for an opportunity and permission to apply to this Court for the allowance of an Attorneys fee ret. 8-15-74 at 9:30 AM (also for 67 Civ 9 which is closed)

Jul-22-74 filed Memorandum of law by Joseph A. Ruskay in support of above motion.

Aug. 13-74 Filed cross claimant affdvt. of Anthony Canovese (Iranian Shipping Lines).

Aug-19-74 Filed stip. and order that the date by which impleaded defts South Shipping Co, Iran Line, Jan C. Uiterwyk and Jan C. Uiterwyk must serve answers to interrog. of deft. and cross-claim is ext. to 9-2-74 -- Gurfein, J.

Aug-16-74 Filed ANSWER OF Seymour F. Simon to amended cross-claim propounded by Iranian Shipping Lines.

Aug-6-74 Filed Answers of 3rd pty deft. Amber Maritime Corp. to interrog. propounded by Iranian Shipping Lines.

Aug-23-74 FILED ANSWER of Guaranty Bank & Trust Company

Aug-23-74 Filed Answer of Guaranty Bank & Trust Co. to amended cross claim

Oct-29-74 Filed memo-endorsed on motion dtd 7/22/74 -- Motion granted -W (m/n)

Oct-29-74 Filed order that in the event, as a result of the above entitled litigation, Iranian Shipping Lines, S.A., or its stockholders shall, by judgment, decree, settlement or otherwise, receive money, benefits or other things of value, that prior to the payment of any such money, benefits or things of value, Joseph A. Ruskay, Esq. shall be duly notified and given the opportunity to apply to this Court for an allowance of an Attorneys fee for services performed. -- Werker, J. m/n

NOV-74 Filed notice of entry of order filed 10-29-74
 Dec-10-74 Filed 3rd party deff. Nick C. Spanos affidavit, memorandum and notice of motion for disqualification of Judge. (no return date)
 Dec-17-74 Filed notice of appearance by 3rd party deff. Nick C. Spanos NJPT
 Dec-20-74 SUB-TRIAL CONFERENCE HELD. -- Werker, J.
 Jan-3-75 Filed OPINION #41671, that for all the reasons stated herein, the application of Nick C. Spanos is denied. So ordered. -- Werker, m/n
 Jan-3-75 Filed memo endorsed on application of deff. Nick C. Spanos for disqualification of Judge Werker: See memorandum Jan-3-75 -- Werker, J.
 01-08-75 Filed supplemental affdvt. of Nick C. Spanos for disqualification of Judge. #41671
 01-15-75 FILED SUPPLEMENTAL MEMORANDUM DECISION that the supplemental affdvt of Nick C. Spanos would not cause the Court to change the memorandum decision denying the motion for disqualification. So ordered. -- Werker, J. m/n
 02-07-75 ~~Filed memorandum of review of previous decision~~ Dec 30-74 (filed in 6
 03-05-75 Filed notice of change of address of Poles Tublin, et. al., Esqs.
 05-29-75 Filed stip. and order that Cohn Glickstein, et.al. are substituted as Attorneys for Iranian Shipping Lines, SA. -- Metzner, J.
 06-24-75 Filed true copy of USCA order denying petition for a writ of mandamus and or prohibition. m.n
 07-16-75 Filed by Levin, Kreis, Ruskin & Gyory Attorneys pro-se and for Robert R. Kreia, affdvt. and notice of motion to compel pltf to produce -- ret. 7-21-75
 07-10-75 Filed by intervening pltf's request to admit directed to Manta Defendants.
 07-10-75 Filed by intervening pltf's exhibits 1 thru 4 annexed to request to admit.
 08-08-75 Filed Iran Shipping Lines affdvt. of Oscar Williams that Guaranty has no documents that come within the Rule 34 request.
 08-08-75 Filed ANSWERS of the Trustees of the NUM Pension Trust to complaint of intervenors Bierman, Edwards and Smith Error PR
 08-27-75 Filed by defendants Manta; Karafotias, P.G. Manta, S.A. Manta, J.L. Manta, Inc., Manta Vin-Cor Steel Corp. and Frank Manta and Leo J. Manta as executors, etc. answers and objections to plaintiffs' request for admissions.
 09-05-75 Hearing held and concluded on proposed motion -- Manta to review responses and meet with Bay Ridge after Oct. 10, 1975
 10-01-75 Filed memo endorsed on motion filed 7-16-75: Withdrawn. So ordered (see attached letter by counsel) -- Werker, J. m/n AE
 10-21-75 Filed by Iranian Shipping Lines, S.A. notice to take depositions of Albert Fuge, S on 11-6-75 as a witness and request to produce. - subp. issued.
 11-19-75 Filed stip. and order modifying deff. and cross-claimants interrog. dtd. 10-12-73, pltf's 2nd interrog. dtd. 6-26-75 and pltf's first request for production of documents dtd. 6-26-75 -- Werker, J.
 12-29-75 Filed pltf's notice to take depositions of Manufacturers Hanover Trust Co., 350 Park Ave., NYC by an officer on 1-27-76 and request to produce. - subp. issued.
 12-24-76 Filed by Iranian Shipping Lines, SA., notice to take depositions of Joseph Modell as a witness on 2-28-76.
 02-27-76 Filed plaintiff's counter-proposed findings of fact and conclusions of law.
 02-27-76 Filed plaintiff's proposed findings of fact and conclusions of law.
 02-27-76 Filed deff's & 3rd party pltf's findings of fact and conclusions of law.
 02-27-76 Filed plaintiff's posttrial brief.
 02-27-76 Filed reply brief of Mobil Oil Corp. and Mobil Sales and Supply Corporation.

DATE	PROCEEDINGS
3-23-76	Filed stip. and order modifying interrog. as indicated herein. --
05-03-76	Filed deft's request to admit.
05-03-76	Filed deft's additional request to admit.
05-20-76	Filed deft. Jan C. Uiterwyk Co., Inc.'s objections to pltf's interro
05-21-76	Filed answers of Jan C. Uiterwyk & Co. Inc. to pltf's interrog.
05-27-76	Filed Attorneys pro se, and Robert R. Kreis objections to request for admissions
05-27-76	Filed John Pensac objections to request for admissions.
05-02-76	Filed by Manta defendants request to admit directed to Iranian Ship
	Lines.
05-28-76	Filed defts George L. Mata et.al.'s objections to request for admis
5-28-76	Filed deft. Jan C. Uiterwyk Co., Inc.'s response to pltf's requests
	to admit.
05-28-76	Filed Uiterwyk defendants' interrog. to pltf. - set No.1.
06-08-76	Filed Manta defendants 2nd request to admit.
05-09-76	Filed by deft. Guaranty, objections to request for admissions.
06-14-76	Filed Arya Shipping Lines' response to request to admit.
06-15-76	Filed Manta defendants notice to take depositions of deft. Nasser
	Afshar and document request.
06-23-76	Filed by deft. Arya Shipping Lines, SA -- affdvt. and notice of moti
	for summary judgment in favor of deft. Arya -- ret. 7-19-76
06-23-76	Filed Arya's memorandum in support of above motion.
06-23-76	Filed Arya's exhibits to the affdvt. of Musa Sabi sworn on 6-12-76.
06-21-76	Filed pltf's 2nd interrog.
06-25-76	Filed defts. Arya supplemental interrogatories to cross-claimant.
06-28-76	Filed deft. John Pensac's interrog. to pltf - set No.1.
06-29-76	Filed Iranian Shipping Lines SA's response to Mata defendants' requ
	to admit.
07-06-76	Filed interrog. by defendants Robert R. Kreis and Levin, Kreis, Rust
	& Gyory propounded to pltf.
07-07-76	Filed by Manta defendants response to cross-claimants 2nd request
	to admit.
07-09-76	Filed by defts Kreis, affdvt. and notice of motion for summary judgmen
	ret. 7-19-76
07-09-76	Filed plaintiffs memorandum in opposition to motion for summary
	judgment.
7-09-76	Filed plaintiffs statement under Rule 9(z)
07-13-76	Filed Manta defendants affdvt and notice of motion for judgment in
	favor of Manta defendants. - ret. 7-26-76
07-19-76	Filed reply memorandum of deft. Arya Shipping Lines in support of
	motion for summary judgment
07-19-76	Filed reply affdvt. of deft. Arya Shipping Lines in support of
	motion for summary judgment.
07-19-76	Filed pltf's affdvt. in opposition to motions for summary judgment by
	Manta defendants and defendants Robert R. Kreis and Levin, Kreis,
	Rustia & Gyory.
7-22-76	Filed deft. Arya Shipping Lines reply affdvt. of Musa Sabi.
7-25-76	Filed stip. and order that action is discontinued as to ALL MANTA
	DEFTS, with. prej. and each party to bear his own costs. So ordered,
	Baron, L.
7-29-76	Filed deft. John Pensac answer to cross claimant's requests to admit

(over)

DATE	PROCEEDINGS	Jud.
08-25-76	Filed notice of change of address of Booth, Lipton & Lipton, Attorneys for Manta defendants.	
10-21-76	Filed MEMORANDUM-DECISION ISL has been dissolved under Iranian Law and Spanos cannot continue its cross-claim against Arya and the other defendants. The cross-claim is dismissed. -- Werker, J.	
11-03-76	Filed deposition of Joseph Modell dated 2-28-76 with exhibits. m/n	
11-17-76	Filed judgment and order pursuant to Rule 54(b) dismissing all cross-claims of impleaded defendants. - CLERK - approved, Werker, J.	
12-02-76	Filed Samuel C. Coleman pro-se petition and notice of motion for allowances. - ret. 12-12-76.	
12-10-76	Filed affdvt. of Nick C. Spanos on behalf of pltf. and in opposition to motion for allowance of compensation.	
12-10-76	Filed pltf's memorandum in opposition to allowances.	
12-22-76	Filed affdvt. submitted by intervening plaintiffs in respect to motion of Hon. Samuel C. Coleman for an allowance of fees.	
01-12-77	Filed by deft. Guaranty Bank & Trust Co. affdvt. with respect of S.C. Coleman for allowances.	
01-14-77	Filed by Iranian Shipping Lines SA - notice of appeal to the USCA for the 2nd Circuit from judgment entered on 11-17-76 -- copies mailed.	
01-17-77	Filed memorandum of 3rd pty deft. opposing allowance of fees and to Special Master.	
01-17-77	Filed pltf. Iranian Shipping Lines, SA - affdvt. and notice of motion to extend time to file appeal. - ret. 02-04-77	
01-19-77	Filed unsigned OSC for extension of time on behalf of Iranian Shipping Lines to file appeal WITH MEMO ENDORSED: Application denied. -- Werker, J. m/n	
01-26-77	Filed 3rd pty deft. Spanos notice of motion for an order that evidentiary hearing be held on the issue of allowances - ret. 2-18-77	
01-26-77	Filed 3rd pty deft. Spanos memorandum in support of above motion.	
01-27-77	Filed by attorneys pro-se and R.R. Kreis answering affdvt. in opposition to mot. to ext. time for filing notice to appeal.	
01-27-77	Filed by attorneys pro se and R.R. Kreis notice of motion to strike notice of appeal dtd. 01-14-77	
01-27-77	Filed by attorneys pro-se and R.R. Kreis memorandum in opposition to Iranian's mot. to ext. time to appeal and in support of above mot. to strike notice of appeal.	
01-31-77	Filed order that Spanos motion for an evidentiary hearing is denied.-- Werker, J. m/n	
02-01-77	Filed affirmation and notice of motion by Keyship Agency, Inc. Frank Wortman and Apollo Travel Service, Inc. for an order granting leave to intervene (Intervenor complaint attached hereto as exhibit)-- ret. 02-04-77	
02-01-77	Filed above applicants memorandum of law in support of their motion to intervene.	
02-01-77	Filed by Iranian Shipping Lines memorandum in support of motion to extend time for filing a notice of appeal.	
02-01-77	Filed reply affdvt. of ISL in reply to affdvt. of Richard Gyory and in further support of ISL's mot. to ext time to appeal.	
02-01-77	PRE-TRIAL CONFERENCE HELD BY HFW	
02-10-77	Filed deft. Arya's memorandum in opposition to mot. for ext. of time to appeal.	
02-10-77	Filed deft. Arya's affdvt. in opposition to mot. for ext. of time to appeal.	

CIVIL DOCKET CONTINUATION SHEET

PLAINTIFF		DEFENDANT	DOCKET NO. 72-1
		IRANIAN SHIPPING LINES, S.A.	
DATE	NR.	PROCEEDINGS	
02-11-77	--	Filed reply memorandum of Iranian Shipping Lines, SA.	
02-13-77		Filed Manta defendants memorandum of law in opposition to motion by Keyship Agency, Inc. et.al. to intervene.	
02-22-77	=	Filed Memorandum of Arya Shipping Lines SA in opposition to moti by 4th intervening plaintiffs to intervene.	
02-23-77		Filed deft. Arya's affdvt. in opposition to 4th intervening pltf motion to intervene.	
03-02-77		Filed deposition of Stephen A. Manta. dtd. 01-20-70.	
02-28-77		Filed memorandum and order granting allowances and that the Spe Master is directed to submit a judgment as to \$2,000.00 allowance against Nick C. Spanos within 30 days. -- Werker, J. m/n	
03-07-77	—	Filed consent order substituting atty. of record for deft. John Pensac. Werk.	
03-16-77		Filed MEMORANDUM & ORDER granting allowance in the sum of \$11,000 the special masters compensation under Rule 53(a). This is the decision and order of the Court. No further order is required. - Werker, J. m/n	
03-16-77		Filed ORDER that the court's memorandum-order of Feb. 25, 1977 is vacated and withdrawn. -- Werker, J. m/n (was filed on 2-28-77)	
04-06-77		Filed Iranian Shipping Lines, S.A. cross-claimant notice of appeal to the USC, the Second Circuit from the order entered on 3-15-77., mailed copy's to Blinder, Steinhaus & Hochauser, Booth Lipton & Lipton, Morton L. Ginaber Howard L. Jacobs, Levin, Kreis, Ruskin & Gyory, Haight, Gardner, Poor & Havens, Healy and Bailie, Kirlin, Campbell & Keating, Lowenstein, Sandl Brochin, Kolh & Fisher,, Peter Moraites, Poles, Tublin, Patestides & Stratakis, Edward Berman Alfred A. Porro, Jr, Rogers & Wells, David Sim and Nicholas J. P. Tryforos.	
4-7-77		Filed Memorandum-Decision & Order. Iranian Shipping Lines moves pursuant to Rule 4(a) of the Fed. Rules of Appellate Procedure, : an order ext. for 30 days the time for the filing of its notice- appeal from this court's judgment dismissing its cross-claim, et: For the reasons stated, Iranian's motion is granted & the cross- motion is denied. So Ordered, WERKER, J. / n/m	
4-15-77		Filed Memorandum-Decision & Order. Frank Wortman, the Keyship A & Apollo Travel Service (movants) seek leave to intervene, as al creditors of Iranian Shipping Lines. Their motion is denied for want of timeliness & failure to demonstrate a legally cognizable interest in the pending action, for the reasons stated. Since movants therefore lack any interest in this litigation, they pla have no interest to be impaired or impeded by the denial of inte vention. Intervention as of right is therefore entirely impropoe The motion is denied.....So Ordered, WERKER, J. n/m	
4-22-77		Filed Stip & Order of Substitution of Atty's for Iranian Shippi Lines deft: & cross-claimant in 67 Civ 9, & as pltf in 72 Civ 13:	

Con't on Page #10

DC-111A REV. (1/75)

X

CIVIL DOCKET CONTINUATION SHEET

IRANIAN SHIPPING LINES, S.A.

DEFENDANT

DOCKET NO. 7

PAGE 10 of 10

PROCEEDINGS

DATE	NR.	PROCEEDINGS
4-22-77		Filed above named movants as putative Fourth Intervening Plaintiffs, Notice Of Appeal to the U.S.C.A. 2nd Circuit, from the order dated April 5, 1977. Copies mailed 4-26-77. Rogers & Wells- 200 Park Avenue N.Y. 10017., Cohn, Glickstein, Lurie, Ostrin & Lubell- 1370 Avenue of the Americas N.Y., 10019., Booth, Lipton & Lipton- 405 Park Avenue N.Y., 10022., Healy & Baillie- 29 Broadway N.Y., Howard L Jacobs- 401 Broadway N.Y., 10013., Levin, Kreis, Ruskin & Gyory- 529 Fifth Avenue N.Y., 10022., Nicholas J.P. Tryforos- Empire State Building, N.Y., 10001., David Simon- 1147 First Avenue N.Y., 10017., James Katsouris- 416 Gulf View Road, Wallingford, Pennsylvania., Alfred A. Porro, Jr.- 10 Stuyvesant Avenue, Lyndhurst, N.J., 07071.
4-27-77		Filed affdvt of service by (Joyce Hyman) of Substitution by Stip, of attys for (Iranian Shipping Lines, S.A. by mail, on 4-25-77, of atty's in this action which are listed.
4-27-77		Filed Transcript of record of proceedings, dated 2-4-77.
5-3-77		Filed cross-claimant's designation of record on appeal.
5-9-77		Filed affdvt of service by Joyce Hyman of deflt & cross-claimant's corrected designation of record upon the attys listed, by mail on 5-6-77.
5-10-77		Filed True Copy of Mandate from the USCA stipulated that the appeal dtd 4-5-77 from the order ent. 3-15-77 is withdrawn. So Ordered, JUDGE MANSFIELD, USCA.
5-17-77		Filed Deposition of plttf (Rudolf V. Alosia, dtd 9-13-71.
05-20-77		Filed deflt. John L. Manta et al affdvt., statement under rule 9 (g) and notice motion for an order for summary judgment against plttf. dismiss the action re date to fixed by the Court
05-20-77		Filed deflt. John L. Manta et al memorandum of law in support of above motion of Manta defts motion for summary judgment against plttf.

CROSS CLAIM OF IRANIAN SHIPPLING LINES AGAINST IMPLEADED
DEFENDANTS (pp. 1a-4a)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

U.S. District Court
Filed
3-1-72
S.D. of N.Y.

-----X
RUDOLPH V. ALOSIO, :

Plaintiff, :

-against- :

IRANIAN SHIPPING LINES, S. A., et al., :

Defendants. :

=====X

ATLANTIC STEAMERS SUPPLY CO., INC. :
OF PENNSYLVANIA, et al., :

Intervening Plaintiffs, :

-against- :

IRANIAN SHIPPING LINES, S. A., et al., :

Second Defendants. :

=====X

BAY RIDGE OPERATING CO., INC., :

Second Intervening Plaintiffs, :

-against- :

IRANIAN SHIPPING LINES, S. A., et al., :

Second Defendants. :

=====X

GULF OIL TRADING COMPANY, :

Third Intervening Plaintiffs, :

-against- :

IRANIAN SHIPPING LINES, S. A., et al., :

Third Defendants. :
-----X

67 Civ. 3
Cross-Claim

IRANIAN SHIPPING LINES, S. A.,
a corporation

Cross-Claimant,

-against-

PETER KONATIS; WALTER R. JONES; JOHN
PENSIC; WILLIAM LANE & TRUST COMPANY;
GUARANTY BANK & TRUST COMPANY; ROBERT
DE CORTEZ; PASSEL JUDITH; EDWARD
SWIRBULL; MILTON LEBEL; JAMES
PATTOURIS; GILBERT L. MANTA; LEON J.
MANTA (a/k/a BILL FRANK MANTA);
STEPHEN A. MANTA (a/k/a STEVE MANTA);
LEO J. MANTA and FRANK J. MANTA as
CO-EXECUTORS of the ESTATE of JOHN L.
MANTA; J. L. MANTA, INC.; MANTA VIN-COR
STEEL CORPORATION; MANTA INVESTMENTS, INC.;
CHRIST KATAFOOTIS; SYMOUR F. SIMON;
CHRIST AVALIOTIS; PASIL VLAVIANOS;
ROBERT KREIS; LEVIN, KREIS, PUSKIN &
GYORY; SOUTH SHIPPING COMPANY, S. A.;
IRAN LINE, S. A.; JAN C. UITERWYK; JAN
C. UITERWYK CO., INC.; ARYA SHIPPING
LINES, S. A.; AMBER MARITIME CORPORATION;
AHMET CHAPIK; HASK BALAYAN and NOTION
LILLY & CO., INC.,

Impleaded Defendants.

Defendant Iranian Shipping Lines, S. A. (hereinafter ISL)
cross-claims against the Impleaded Defendants and demanding
a jury, complains and alleges against them as follows:

C O U N T O N F

I

Jurisdiction and Venue

1. This cross claim is filed and the jurisdiction of this
Court is invoked under the provisions of Section 4 of the Act

of Congress of October 15, 1914, c. 323, 38 Stat. 731, as amended (15 U.S.C. 15) entitled "An Act to Supplement Existing Laws Against Unlawful Restraints and Monopolies, and For Other Purposes", commonly known as the Clayton Act, to recover damages which ISL has sustained due to the violation by the Impleaded Defendants of Sections 1, 2 and 8 of the Act of Congress of July 2, 1890, c. 647, 26 Stat. 209, as amended (15 U.S.C. 1, 2 and 8) entitled, "An Act to Protect Trade and Commerce Against Unlawful Restraints and Monopolies", commonly known as the Sherman Act.

D. That cross-claimant recover its cost of litigation including a reasonable attorneys' fee;

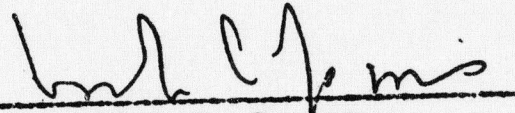
E. That this Court issue an injunction directing the Impleaded Defendants forthwith and during the pendency of this litigation, to cease from any further effort to cause cross-claimant's dissolution and to end its corporate existence, and

F. That cross-claimant have such other and further relief as to the Court may seem just and proper.

Dated: New York, New York
March 1, 1972

JOSEPH A. RUSKAY & NICK C. SPANOS

By



Nick C. Spanos

Attorneys for cross-claimant
IRANIAN SHIPPING LINES, S. A.
122 East 42nd Street
New York, New York 10017
Telephone: OX 7-3140

AFFIDAVIT OF SERVICE BY MAIL

STATE OF NEW YORK
COUNTY OF NEW YORK

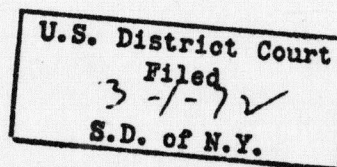
SUSAN CHRIST being duly sworn, deposes and says, that deponent is not a party to the action, is over 18 years of age and resides at 1300 W. 57th St. New York, New York 10019; that on the 1 day of March, 1972 deponent served the within cross-claim upon Booth, Lipton & Lipton, Attorneys for Manta Defendants, 292 Madison Avenue, New York, New York 10017; Healy & Paillie, Attorneys for the First, Second and Third Intervening Plaintiffs, 29 Broadway, New York, New York 10006; Royall, Koegel & Wells, Attorneys for Defendant Midland Bank & Trust Company, 200 Park Avenue, New York, New York 10017; Alfred A. Porro, Jr., Esquire, Attorney for Plaintiff Rudolph V. Aloisio, 10 Stuyvesant Avenue, Lyndhurst, New Jersey 07071; and Philip Gelfand, Esquire, Attorney for Plaintiff Rudolph V. Aloisio, 299 Broadway, New York, New York 10013 in this action at the address indicated as to each which has been designated by said Attorneys for that purpose by depositing a true copy of same enclosed in a postpaid properly addressed wrapper, in a post office which is an official depository under the exclusive care and custody of the United States post office department within the State of New York.

Susan Christ

Signed and sworn to before me
this 1 day of March, 1972.

[Signature]

ALAN MITCHELL
Notary Public, State of New York
No. 03-10000
Qualified in New York County
Certificate filed in New York County
Commission Expires March 30, 1973



A TRUE COPY
JOHN LIVINGSTON, Clerk

By [Signature]
Deputy Clerk

SUMMONS AND COMPLAINT FOR DAMAGES

SUMMONS IN A CIVIL ACTION

(pp. 5a-8a)

CIV. 1a (2-64)
(Formerly D.C. Form No. 48a Rev. (6-19))

United States District Court

FOR THE

SOUTHERN DISTRICT OF NEW YORK

JUDGE BRIANT

72 CIV. 1392

YEMANIAN SHIPPING LINES, S. A.,
a corporation.

CIVIL ACTION FILE NO. _____

Plaintiff,

-against-

PETER MORAITES; WALTER N. JONES; JOEY
PENSLER; MIDLAND BANK & TRUST COMPANY;
GUARANTY BANK & TRUST COMPANY; ROBERT
DE COTTIS; NASSER APSEHAR; YVONNE APSEHAR;
EDWARD SWINBURNE; MILTON FILALAS; JAMES
KATSOURIS; GEORGE L. MANTA; FRANK J. MANTA
(a/k/a MARK FRANK MANTA); STEPHEN A. MANTA
(a/k/a STEVE MANTA); LEO J. MANTA and FRANK
J. MANTA as CO-EXECUTORS of the ESTATE OF
JOHN L. MANTA; J. L. MANTA, INC.; MANTA
VIN-CEP STEEL CORPORATION; MANTA
INVESTMENTS, INC.; CHRIST KARAFOTIAS;
SEYMOUR F. SINON; CHRIST AVALIOTIS; BASIL
VLAVIANOS; ROBERT KRIS; LEVIN, KRIS,
RUSKIN & CYOFT; SOUTH SHIPPING COMPANY,
S.A.; IRAN LINE, S.A.; JAN C. VITHEWYK;
JAN C. VITHEWYK CO., INC.; ADYA SHIPPING
LINES, S.A.; AMER MARITIME CORPORATION;
ARHET CHAFIR, HASK BALAYAN and NORTON
LILLY & CO., INC.,
Defendants.

to the above named Defendant

SUMMONS

Attorney for Plaintiff

U.S. DISTRICT COURT S.D.N.Y.

You are hereby summoned and required to serve upon Joseph A. Ruskay,

Note:—This summons is to be served by a person other than a United States Marshal or his deputy.

[REVP]

plaintiff's attorney, whose address 122 East 42 Street, New York City, N. Y. 10017

5a-1

200-11160 and shown to before me, a

1972

Deputy Clerk of Court

By

2011160

an answer to the complaint which is herewith served upon you, within 20 days after service of this summons upon you, exclusive of the day of service. If you fail to do so, judgment by default will be taken against you for the relief demanded in the complaint.

John Livingston

Clerk of Court.

E. A. Becker

Deputy Clerk.

Date: April 5, 1972

[Seal of Court] (Seal)

NOTE: This summons was issued pursuant to Rule 4 of the Federal Rules of Civil Procedure.

1. This summons was issued pursuant to Rule 4 of the Federal Rules of Civil Procedure.

qaz. of

10

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IRANIAN SHIPPING LINES, S. A.,
a corporation,

Plaintiff,

-against-

PETER MOPAITES; WALTER N. JONES; JOHN
PENSEC; MIDLAND BANK & TRUST COMPANY;
GUARANTY BANK & TRUST COMPANY; ROBERT
DE COTIIS; NASSER AFSHAR; YVONNE AFSHAR;
EDWARD SWINDURNE; MILTON PILALAS; JAMES
KATSOURIS; GEORGE L. MANTA; FRANK J.
MANTA (a/k/a MARK FRANK MANTA); STEPHEN
A. MANTA (a/k/a STEVE MANTA); LEO J. MANTA)
and FRANK J. MANTA as CO-EXECUTORS of the)
ESTATE OF JOHN L. MANTA; J. L. MANTA, INC.;)
MANTA VIN-COR STEEL CORPORATION; MANTA)
INVESTMENTS, INC.; CHRIST KARAFOTIAS;)
SEYMOUR F. SIMON; CHRIST AVALIOTIS; BASIL)
VLAVIANOS; ROBERT KREIS; LEVIN, KREIS,)
RUSKIN & GYOPY; SOUTH SHIPPING COMPANY,)
S.A.; IRAN LINE, S.A.; JAN C. UITERWYK;)
JAN C. UITERWYK CO., INC.; ARYA SHIPPING)
LINES, S.A.; AMER MARITIME CORPORATION;)
AHMET CHAFIK; HASK BABAYAN and NORTON)
LILLY & CO., INC.,)

Defendants.

Judge BRIENNT

72 CIV 1392

Civil Action
No.

COMPLAINT FOR
DAMAGES

SHERMAN ACT

Iranian Shipping Lines, S. A. (hereinafter ISL),
demanding a jury, complains and alleges against the Defendants
as follows:

IJurisdiction and Venue

1. This complaint is filed and the jurisdiction of this Court is invoked under the provisions of Section 4 of the Act of Congress of October 15, 1914, c. 323, 38 Stat. 731, as amended (15 U.S.C. 15) entitled "An Act to Supplement Existing Laws Against Unlawful Restraints and Monopolies, and For Other Purposes", commonly known as the Clayton Act, to recover damages which ISL has sustained due to the violation by the Defendants of Sections 1, 2 and 8 of the Act of Congress of July 2, 1890, c. 647, 26 Stat. 209, as amended (15 U.S.C. 1, 2 and 8) entitled, "An Act to Protect Trade and Commerce Against Unlawful Restraints and Monopolies", commonly known as the Sherman Act.

2. The foreign trade and commerce hereinafter described is carried on, in part, within the Southern District of New York and many of the unlawful acts done pursuant to the combination and conspiracy hereinafter alleged have been performed within this District. At all relevant times each of the corporate Defendants had an office or an agent or transacted business or was found within this District. The Defendants and each of them participated in certain wrongful acts hereinafter complained of including some which took place in this District and each is within the jurisdiction of this Court, for the purpose of service.

its minority shareholders and creditors; that harm may be irreparable; moreover, it is a harm for which ISL, its minority shareholders and creditors will have no adequate remedy at law.

WHEREFORE, plaintiff prays that this Court:

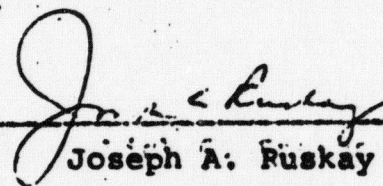
A. Issue an injunction directing the Defendants forthwith and during the pendency of this litigation, to cease from any further effort to cause plaintiff's dissolution and to end its corporate existence;

B. Grant such further and other relief as to this Court seems proper.

Dated: New York, New York
April 5, 1972

JOSEPH A. RUSKAY & NICK C. SPANOS

By



Joseph A. Ruskay

Attorneys for plaintiff
IRANIAN SHIPPING LINES, S.A.
122 East 42nd Street
New York, New York 10017
Telephone: OX 7-3140

NOTICE OF MOTION TO DISMISS "CROSS CLAIM" BY IRANIAN SHIPPING
LINES, S.A., AND AFFIDAVIT OF PHILIP PIERCE IN SUPPORT OF MOTION
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

9a

(pp. 9a-16a)

-----x
RUDOLPH V. ALOSTO,

Plaintiff,

-against-

IRANIAN SHIPPING LINES, S.A., HASK
BABAYAN, CARGO AND SHIPPING, S.A.,
THE MIDLAND BANK & TRUST COMPANY,
PARAMUS, NEW JERSEY, GUARANTY BANK
& TRUST COMPANY, CHICAGO, ILLINOIS,
YVONNE AFSHAR, NASSER AFSHAR, DENNIS
AFSHAR, MASSOUME KHALADJ AFSHAR, MANSUR
AFSHAR, MANOCHIK AFSHAR, JOHN L. MANTA,
GEORGE L. MANTA, CHRIST KARAFOTIAS,
FRANK J. MANTA (a/k/a MARK FRANK MANTA),
LEO J. MANTA, STEPHEN J. MANTA, J. L. MANTA,
INC., an Illinois corporation, and MANTA-VIN
COR CORPORATION, an Illinois corporation,

Defendants.

67 Civ 9

-----x
ATLANTIC STEAMERS SUPPLY CO., INC.
OF PENNSYLVANIA, ATLANTIC STEAMERS
SUPPLY CO., INC., MARITIME FOOD
CORPORATION, LEE & PALMER, INC. and
MARINE MAINTENANCE COMPANY,

First Intervening Plaintiffs,

-against-

IRANIAN SHIPPING LINES, S.A., HASK
BABAYAN, LILIAN BABAYAN, CARGO AND
SHIPPING, S.A., MAHMOUD NAZEMI, MIDLAND
BANK & TRUST COMPANY, GUARANTY BANK &
TRUST COMPANY, BANK MARKEZI IRAN, NASSER
AFSHAR, JOHN L. MANTA, GEORGE L. MANTA,
CHRIST KARAFOTIAS, FRANK J. MANTA (a/k/a
MARK FRANK MANTA), STEPHEN A. MANTA,
J. L. MANTA, INC., MANTA VIN-COR CORPORATION,
PAUL J. FRANGOULIS, ELIAS FRANGOULIS, JOHN
KLIAFAS, ACHILLES KLIAFAS, DEMETRIOS G.
GOUZOUKIS, and MARITIME AND MERCANTILE
AGENCIES, LTD.,

Second Defendants.

NOTICE OF
MOTION TO
DISMISS
"CROSS-CLAIM"
BY IRANIAN
SHIPPING LINES,
S. A.

and FRANK J. MANTA as CO-EXECUTORS of the ESTATE OF JOHN L. MANTA, J. L. MANTA, INC., MANTA VIN-COR STEEL CORPORATION, MANTA INVESTMENTS, INC., CHRIST KARAFOTIAS, SEYMOUR F. SIMON, CHRIST AVALIOTIS, BASIL VLAVIANOS, ROBERT KREIS, LEVIN, KREIS, RUSKIN & GYORY, SOUTH SHIPPING COMPANY, S.A., IRAN LINE, S.A., JAN C. UITERWYK, JAN C. UITERWYK CO., INC., ARYA SHIPPING LINES, S.A., AMBER MARITIME CORPORATION, AHMET CHAFIK, HASK BABAYAN and NORTON, LILLY & CO., INC., HELEN MANTA, PAUL DEMOS, CHRIST KARAFOTIAS AND "JOHN" CHRONES (the first name "JOHN" being fictitious) individually and as co-partners doing business under the firm name and style of DEMOS, KARAFOTIAS and CHRONES, TELIS DEMOS individually and doing business under the firm name and style of DEMOS TRAVEL BUREAU,

Impleaded Defendants.

-----x

S I R :

PLEASE TAKE NOTICE that upon the annexed Affidavit of PHILIP PIERCE, sworn to the 4th day of May, 1972, the exhibits annexed thereto, and all the pleadings and proceedings heretofore had herein, defendants GEORGE L. MANTA, et al. (the so-called MANTA defendants). will move this Court, at a Motion Part thereof, to be held at Room 905 of the United States Courthouse, Foley Square, New York, New York, on the 1st day of June, 1972 at 2:00 o'clock in the afternoon of that day, or as soon thereafter as counsel can be heard, for an Order dismissing the Cross-Claim, or for such other relief as may be appropriate, upon the following grounds:

1. The attempted service and filing of such Cross-Claim is (a) not authorized by statute; and (b) not the authorized act of IRANIAN SHIPPING LINES, S.A. (hereinafter "ISL"), nor of any of its duly-authorized directors or stockholders; nor (c) has ISL the standing to initiate such Cross-Claim.

2. The Cross-Claim fails to state a cause of action under the Clayton and Sherman Acts, by whose authority it is allegedly brought.

3. That such Cross-Claim is barred by the Statute of Limitations, or alternatively, by gross laches.

4. That the action cannot be sustained due to the non-joinder of indispensable parties.

Dated: New York, New York
May 4, 1972

Yours, etc.

BOOTH, LIPTON & LIPTON

By: _____

A Member of the Firm
Attorneys for the MANTA
defendants

Office & P. O. Address
292 Madison Avenue
New York, New York 10017
(212) 686-0644

and FRANK J. MANTA as CO-EXECUTORS of the ESTATE OF JOHN L. MANTA, J. L. MANTA, INC., MANTA VIN-COR STEEL CORPORATION, MANTA INVESTMENTS, INC., CHRIST KARAFOTIAS, SEYMOUR F. SIMON, CHRIST AVALIOTIS, BASIL VLAVIANOS, ROBERT KREIS, LEVIN, KREIS, RUSKIN & GYORY, SOUTH SHIPPING COMPANY, S.A., IRAN LINE, S.A., JAN C. UITERWYK, JAN C. UITERWYK CO., INC., ARYA SHIPPING LINES, S.A., AMBER MARITIME CORPORATION, AHMET CHAFIK, HASK BABAYAN and NORTON, LILLY & CO., INC., HELEN MANTA, PAUL DEMOS, CHRIST KARAFOTIAS AND "JOHN" CHRONES (the first name "JOHN" being fictitious) individually and as co-partners doing business under the firm name and style of DEMOS, KARAFOTIAS and CHRONES, TELIS DEMOS individually and doing business under the firm name and style of DEMOS TRAVEL BUREAU,

Impleaded Defendants.

-----x

STATE OF NEW YORK)
: ss.:
COUNTY OF NEW YORK)

PHILIP PIERCE, being duly sworn, deposes and says:

1. Deponent is a member of the firm of BOOTH, LIPTON & LIPTON, attorneys for the MANTA defendants herein, is familiar with the subject matter of this motion, having been active in the defense of the pending litigation for over two years, and based upon the documents therein and communications with the various MANTA defendants, and makes this Affidavit in support of the motion to dismiss the purported "Cross-Claim" against the MANTA defendants and thirty-one other impleaded defendants.

I would be fair to the litigants or to the parties that we have involved here, and the motion to intervene will be denied.

"Thank you." (Emphasis Added)

15. Evidence has been received by the MANTA defendants from one PAUL J. FRANGOULIS of Piraeus, Greece indicating that as currently as this year, 1972, SPANOS is attempting to cause that gentleman to "sell and transfer" rights that he may have against ISL to "a friend" of SPANOS. It appears, thus, that SPANOS is engaged on still other fronts in matters that may result in further litigations against the MANTAS. If that is true, not even this massive litigation will put an end to the court battles on these issues. How then can it be said that the cross-complaint herein will help resolve all matters at issue?

16. A further question flows from Exhibit D, a copy of a communication forwarded by the Iranian Consulate, indicating that in Iran, under whose laws ISL was incorporated and exists, efforts are pending by others to conclude ISL's affairs. As stated in FRCP 17(b) "the capacity of a corporation to sue or be sued shall be determined by the law under which it was organized." Obviously, what is happening in Iran is directly inconsistent with the filing of such cross-claim in the United States.

17. The point of all of the foregoing is to demonstrate to this Court the nature of SPANOS's attitude toward the MANTA defendants, as a way of emphasizing the

attack upon his authority to bring the cross-claim in the name of ISL.

It is the belief of the MANTA defendants that U.S. commerce and shipping are not involved in these matters, and that SPANOS has unilaterally determined to use the corporate name with an antitrust suit as the vehicle, because it may be possible in anti-trust to collect legal fees not otherwise available, and to add to the intense legal pressures pending against the MANTAS so as to force them to give him money. He should be called upon to demonstrate to this Court's satisfaction the basis for his authority, consistent with Iranian law, to have sued in the name of ISL.

THE COMPLAINT FAILS TO STATE
CAUSES OF ACTION UNDER THE
CLAYTON AND SHERMAN ACTS

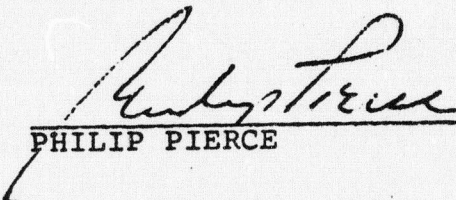
18. The cross-complaint does not contain a short plain statement of the facts to support the claimed violation of the Federal anti-trust laws, as required.

The cross-claim does not simply, concisely and directly set forth the grounds of the violation of Sections 1, 2 and 8 of the Sherman Act. While anti-trust "terminology" is employed, that is insufficient to render this an anti-trust case. Essential facts and overt acts constituting an anti-trust violation must be pleaded, and instead one is met with conclusory statements only, which are almost incredible on their face.

Moreover, all of the variables and complexities of anti-trust litigation -- too numerous to detail here -- would be thrust upon all concerned in what is already bafflingly complex and, as one Judge of this Court called, a "bitterly fought" litigation.

25. Paraphrasing the words of CHIEF JUDGE ROBSON, quoted above, it would be an injustice not only to the defendants but to the Court, after the trials and tribulations that have been gone through in this case, to again open it up to [additional] discovery and to bring in other issues.

WHEREFORE, it is prayed that the cross-claim be dismissed, and this Court allow such other and further relief as may be appropriate herein.



PHILIP PIERCE

Sworn to before me this
4th day of May, 1972.

JOEL L. HECKER
Notary Public, State of New York
No. 41-1732560
Qualified in Queens County
Term Expires March 30, 1973

شماره دفتر

شماره دفتر



برگ اظهاریه

دفتر

تاریخ

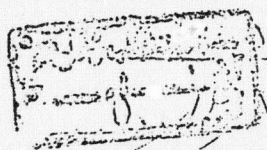
16a

مخاطب	موضوع اظهاریه	اظهار کننده
آقای جان ال مانتا , آمریکا , شیکاگو خیابان لومیس جنوبی شماره ۱۸۲۱	اظهار قضایی LEGAL SUITION	آقای هاسک بابایان : تهران سعدی شمالی ۱۶۸ طبقه ۴

خلاصه جواب

Addressed to:

MR. John L Manta,
South Loomis Street 1821,
Chicago, ILL,
U.S.A.



خلاصه اظهارات

بموجب لایحه قانونی اصلاح قسمتی از قانون تجارت
مصدبه ۱۳۴۷/۱۲/۲۴ , راجع به شرکت های سهامی
خواهشمند است برای تطبیق وضع شرکت سهامی خطوط
کشتری ایرانی ایران با مقررات قانون و یا تبدیل آن بنوع
دیگری و رفع بالاتکلیف شرکت و یا انحلال آن حاضر
شده و اقدام فرمائید .

با تقدیم احترامات

احمد از عضو هیئت مدیره و مدیر عامل سابق و ندایده
ساحب ۴۴٪ درصد از سهام هاسک بابایان

Issued by Hask Babayan, north Saadi 168,
4th floor Tehran:

As per law amending the commercial code
of Iran decreed on 24/12/1347 in respect
to societe anonyme you are requested to
be present in view to comply/amend our
legal status in conformity with the Law
amend the legal status, clarify the un-
clear situation of the company, or li-
quidate it, and therefore decide the
actions to be taken,

Signed: Hask Babayan, one of former mem-
ber of the Board, one of former
managing director and representa-
tive of 44% of the company's
stock.

EXHIBIT "D"

MEMORANDUM OF LAW IN SUPPORT OF MOTION TO DISMISS "CROSS CLAIM"
BY IRANIAN SHIPPING LINES, S.A.

(pp. 17a-24a)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

RUDOLPH V. ALOSIO,

Plaintiff,

67 Civ 9

-against-

(Judge Brieant)

IRANIAN SHIPPING LINES, S.A., et al.,

Defendants.

-and four other actions-

MEMORANDUM OF LAW IN SUPPORT OF
MOTION TO DISMISS "CROSS-CLAIM"
BY IRANIAN SHIPPING LINES, S.A.

Of Counsel
PHILIP PIERCE
JOEL L. HECKER

BOOTH, LIPTON & LIPTON
COUNSELORS AT LAW
292 MADISON AVENUE
NEW YORK, N. Y. 10017
Telephone (212) 686-0644
Attorneys for Manta Defendants

and FRANK J. MANTA as CO-EXECUTORS of the ESTATE OF JOHN L. MANTA, J. L. MANTA, INC., MANTA VIN-COR STEEL CORPORATION, MANTA INVESTMENTS, INC., CHRIST KARAFOTIAS, SEYMOUR F. SIMON, CHRIST AVALIOTIS, BASIL VLAVIANOS, ROBERT KREIS, LEVIN, KREIS, RUSKIN & GYORY, SOUTH SHIPPING COMPANY, S.A., IRAN LINE, S.A., JAN C. UITERWYK, JAN C. UITERWYK CO., INC., ARYA SHIPPING LINES, S.A., AMBER MARITIME CORPORATION, AHMET CHAFIK, HASK BABAYAN and NORTON, LILLY & CO., INC., HELEN MANTA, PAUL DEMOS, CHRIST KARAFOTIAS AND "JOHN" CHRONES (the first name "JOHN" being fictitious) individually and as co-partners doing business under the firm name and style of DEMOS, KARAFOTIAS and CHRONES, TELIS DEMOS individually and doing business under the firm name and style of DEMOS TRAVEL BUREAU,

Impleaded Defendants.

-----x

INTRODUCTORY STATEMENT

This Memorandum is made in support of the motion of the MANTA defendants to dismiss the cross-claim of defendant IRANIAN SHIPPING LINES, S.A. (hereinafter "ISL"), on the grounds that (1) the attempted service and filing of such cross-claim is not authorized by statute, not the authorized act of ISL nor of any of its duly authorized directors or stockholders, nor has ISL the standing to initiate such cross-claim; (2) it fails to state a cause of action upon which relief can be granted; (3) it is barred by the Statute of Limitations, or alternatively, by gross laches; and (4) that the action

POINT IV

THE ATTEMPTED SERVICE AND
FILING OF THE CROSS-CLAIM
IS NOT AUTHORIZED BY STATUTE;
THE FILING OF THE CROSS-CLAIM
IS NOT AUTHORIZED BY ISL, NOR
DOES ISL HAVE STANDING TO IN-
ITATE SUCH CROSS-CLAIM

(A) THE ATTEMPTED SERVICE IS NOT AUTHORIZED BY STATUTE.

SPANOS purportedly "served" the MANTA defendants (and the MIDLAND BANK) by the simple technique of dropping a copy of the cross-claim into a U.S. Postal Drop, addressed to the attorneys of record for these defendants. Support for this procedure, over five years after filing of the complaint, and almost four years after filing of the intervening complaint, is nowhere to be found under the Federal Rules.

The proper procedure is by motion for leave to cross-claim under FRCP 13(g).

"The decision whether to allow a cross-claim that meets the tests of subdivision (g) [of FRCP 13] is a matter of judicial discretion."
6 Wright & Miller, Federal Practice & Procedures, Civil §1431.

(B) THE FILING OF THE CROSS-CLAIM IS NOT AUTHORIZED BY ISL.

It is axiomatic that before actions may be undertaken on behalf of a corporation, the proper parties -- be

it directors or shareholders, must authorize the taking of such action.

The MANTA Defendants challenge the right of SPANOS to bring this cross-claim "on behalf of ISL". The MANTA defendants are unaware of any duly called meetings of stockholders or directors which has validly authorized the institution of the cross-claim.

The Articles of Incorporation of ISL unequivocally state that any action on behalf of ISL must be by act of two managing directors.

"18. All the documents, letters, cheques and other papers are to be signed jointly by the two Managing Directors together and sealed by the Company's seal. Either or both of the Managing Directors can jointly or separately delegate their power, partly or totally to each other or to some other person provided that the delegation is in the form of power of attorney.

"19. No member of the Board of Directors is entitled to do and perform any act, individually, in the Company's name except according with a special authorization of the Board of Directors."

SPANOS, in an affidavit dated May 31, 1965, a copy of which is annexed to the moving papers as Exhibit B, has acknowledged these articles as those of ISL:

" . . . he [Spanos] is . . . one of the two Co-Managing Directors of Iranian Shipping Lines, A.A. [sic], . . . and one of the two persons whose signatures are necessary on all checks, contracts and commitments of the Company; . . . under the charter and by-laws of the Company, . . . Mr. Hask Babayan, the other Co-Managing Director of the Company, and the person whose signature along with mine is needed to bind the Company, has given power to sign his [Babayan's] name on all checks, contracts and commitments of the Company to Christ Karafotias, Esquire, of Chicago, Illinois, under a duly executed and legalized Power of Attorney."

Defendant CHRIST KARAFOTIAS has been a Co-Managing Director of ISL since he was duly unanimously appointed at a Board of Directors' meeting in July, 1966, at which meeting SPANOS was present and voted. CHRIST KARAFOTIAS has never approved the institution of this suit.

SPANOS claims he represents 48% of the shareholders of ISL. This allegation is in direct contradiction to his sworn statements, wherein he acknowledges that he has no beneficial interest in any shares of stock of ISL, to wit:

" . . . the total capital of the Company [ISL] is represented by two hundred (200) shares of common stock which are issued and outstanding whose par value is the Iranian equivalent of at least SIX HUNDRED, SIXTY DOLLARS (\$660.00) per share; that of the said two hundred

shares of common stock, shares being numbers 1 to 96, inclusive, have been issued to and are being held by me in my name, but as Trustee for the said John and George Manta, their families and associates; that share number 97 has been issued to and is held by the said John Manta, share number 98 has been issued to and is held by Philip Spanos, and shares numbered 99 to 140 inclusive, have been issued to and are held by Cargo and Shipping, S.A., a company organized under the laws of Iran; . . . that in my capacity as trustee of the said shares numbered 1 to 96, inclusive, I am subject to the control of the said John Manta and in the event of his death to that of the said George Manta; . . ."
(Emphasis Added)

(Affidavit of NICHOLAS SPANOS, Exhibit B to moving papers.)

By what authority then, has SPANOS commenced what must inevitably be a very burdensome, time consuming, costly litigation "on behalf of" ISL and against ISL or former ISL shareholders, directors, attorneys, accountants, and others -- but only those who oppose or have opposed SPANOS' purported interests?

(C) ISL DOES NOT HAVE STANDING TO FILE COUNT III OF THE CROSS-CLAIM.

ISL is an Iranian corporation which has maintained an office in New York City and did business in New York. However, ISL never obtained authority to do business in

the State of New York, and is, therefore, bound by the laws of New York, the situs of this Court, from maintaining any action in the State of New York.

The Supreme Court has held that a foreign corporation, which had not qualified to do business in a State and hence could not bring an action in that State, could not maintain an action in Federal Courts of the State. Woods v. Interstate Realty Co., 337 U.S. 535 (1949).

At the very least, Count III of the cross-claims which claims jurisdiction of this Court under the doctrine of "pendent jurisdiction" based upon diversity of citizenship, is barred.

CONCLUSION

The cross-claim should be dismissed for the reasons stated herein.

Respectfully submitted,

BOOTH, LIPTON & LIPTON
Attorneys for MANTA Defendants
Office & P. O. Address
292 Madison Avenue
New York, New York 10017
(212) 686-0644

OF COUNSEL:

PHILIP PIERCE, ESQ.
JOEL L. HECKER, ESQ.

NOTICE OF MOTION

25a

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

----- x
RUDOLPH V. ALOSIO, : 67 Civ. 9
 :
Plaintiff, :
 : (Judge Brieant)
-against- :
 :
IRANIAN SHIPPING LINES, S.A., :
et al., : NOTICE OF MOTION
 :
Defendants. :
 :
----- x
S I R S :

PLEASE TAKE NOTICE that upon the affidavit of Paul M. Hopkins attached hereto, the "Cross-Claim" of Iranian Shipping Lines and all the pleadings and proceedings had herein, the Midland Bank and Trust Company will, at a Motion part of this Court to be held at Room 102 of the United States Courthouse, Foley Square, New York, New York, on the 1st day of June 1972 at 2:00 in the afternoon of that day, or as soon thereafter as counsel can be heard, move pursuant to Rule 11 and 12(f) and such other rules of the Federal Rules of Civil Procedure as may be applicable for an order (1) dismissing the Cross-Claim filed by Iranian Shipping Lines; (2) vacating the appearances of Joseph A. Ruskay, Esq. and Nick C. Spanos, Esq., as attorneys for Iranian Shipping Lines in this matter; and (3) granting such other and further relief as may be just and proper.

Yours, etc.

Dated: New York, New York
May 5, 1972

ROYALL, ROEGEL & WELLS

By
A Member of the Firm
Attorney's for Defendant Midland
Bank & Trust Company
200 Park Avenue
New York, New York 10017

AFFIDAVIT OF PAUL M. HOPKINS IN OPPOSITION TO MOTION WITH
EXHIBITS ANNEXED (pp.26a-43a)

26a

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

----- x
RUDOLPH V. ALOSIO, :
Plaintiff, : 67 Civ. 9
-against- : (Judge Brieant)
IRANIAN SHIPPING LINES, S.A., :
et al., : AFFIDAVIT
Defendants. :
----- x

STATE OF NEW YORK)
: ss.:
COUNTY OF NEW YORK)

PAUL M. HOPKINS, being duly sworn, deposes and
says:

1. I am associated with the firm of Royall,
Koegel & Wells, counsel for the Midland Bank (the "Bank"),
a defendant herein. This action was initiated in January
1967, and Royall, Koegel & Wells was substituted as counsel
for the Bank on or about September 9, 1971. Since that time
I have participated in this action and have reviewed the
record of prior proceedings. I make this affidavit in
opposition to the motion of Iranian Shipping Lines ("ISL")
for an order permitting the inclusion of various persons as
additional defendants and in support of a cross motion to
dismiss the "Cross-Claim" and vacate the appearances of
Joseph A. Ruskay, Esq. ("Ruskay") and Nick C. Spanos, Esq.
("Spanos") in this action.

2. On or about March 22, 1972 I received in the
mail a copy of a pleading denominated as a "Cross-Claim"

purportedly served in the above-captioned action by ISL. The "Cross-Claim" and subsequent amendments thereof (all of which are attached hereto as Exhibit 1) named 21 persons as defendants who had not been named as defendants previously. Further, the "Cross-Claim" alleged a violation of the Sherman Antitrust Act which had not previously been alleged by any other party. Attorneys for "Cross-Claimant Iranian Shipping Lines, S.A." were designated as "Joseph A. Ruskay and Nick C. Spanos by Nick C. Spanos." Leave of court had not been obtained to serve the "Cross-Claim."

3. The Bank obtained extensions of time to answer or move with respect to the "Cross-Claim" until May 1, 1972, which time was further extended by amendments until May 6, 1972. On April 19, 1972 I received a letter informing me of a hearing on a motion by ISL for leave of court to bring in and serve additional parties. The hearing was set for April 28, 1972 but has been postponed until June 1, 1972.

The Litigation

4. This action was commenced in January 1967 by Rudolph Alosio who alleged a conspiracy among the Bank, Nasser Afshar ("Nasser") and certain of his relatives to defeat Alosio's attempts to recover certain moneys loaned by him to Nasser. Approximately a year and a half later, in or about June 1968, Alosio amended his complaint to substantially broaden his allegations of conspiracy. At this time he included as defendants, among others, John L. Manta, members of his family and certain corporations controlled by the Manta family (all hereinafter referred to as the "Manta

defendants") and alleged that the defendants had conspired to divert the assets of ISL to their own use and benefit in an effort to defeat the rights of creditors.

5. In September 1968 certain creditors obtained leave to intervene as plaintiffs; the intervening plaintiffs made the same allegations of conspiracy made in Alosio's amended complaint. Since that time this action has been prosecuted by the intervening plaintiffs. Alosio has taken no part other than to appear for his deposition after a motion to dismiss his complaint for failure to prosecute was made.

6. Both Alosio and the intervening plaintiffs seek to recover from the defendants funds which it is alleged are due them from ISL. The intervening plaintiffs have unsatisfied judgments against ISL obtained in the courts of the State of New York which they assert should be paid by defendants since ISL is insolvent. Alosio claims to possess certain ISL notes which he also contends the defendants should pay because of the insolvency of ISL.

Spanos and Ruskay

7. The "Cross-Claim" was filed on behalf of ISL by Spanos and Ruskay, who purportedly act as counsel for ISL. Although Spanos had previously submitted affidavits in this action on behalf of the intervening plaintiffs (see Spanos' affidavit dated October 18, 1969, attached hereto as Exhibit 2), his involvement as counsel began with the substitution of Ruskay as attorney for ISL on or about July 8, 1970.

8. According to an affidavit later submitted by Spanos dated December 19, 1970 (see paragraph 7 of Spanos' affidavit dated December 19, 1970, attached hereto as Exhibit 3), Ruskay agreed to act as counsel for ISL only if Spanos would undertake the pretrial motion and discovery work. As has been repeatedly demonstrated during depositions taken in this action, Spanos is intimately familiar with the operations of ISL since he played a vital role in the formation of the company. Further, he was a co-managing director of ISL which, as more fully shown below, gave him a significant degree of responsibility in ISL affairs and he was in charge of ISL's New York office.

9. The stipulation which Ruskay relied upon for his authority to appear in this action was signed on behalf of ISL solely by Nick C. Spanos in his capacity as co-managing director. There was no signature of any other ISL officer or director purporting to give Ruskay authority to act on behalf of ISL.

10. On November 2, 1970, apparently as part of their agreed-upon plan to permit Spanos to participate as the ISL attorney, Ruskay moved the admission of Spanos, a member of the California bar, pro hac vice. This motion was opposed by the Manta defendants who contended that Spanos had previously acted as their attorney in the matters at issue in this action and consequently should be barred from litigating against them. Despite this opposition, the Ruskay motion to admit Spanos pro hac vice was granted.

11. Since Spanos' admission he has taken complete charge of this matter and Ruskay has, as a practical matter,

not participated. In fact Ruskay stated to me that he could not even grant an extension of time to answer the "Cross-Claim" without requesting permission from Spanos.

Authority to Act for ISL

12. ISL is an Iranian corporation which is governed by certain "statutes" similar to the articles of incorporation of a corporation in New York State. During the course of the depositions it has become apparent that the statutes of ISL provide that its Board of Directors would delegate authority to manage the corporation to two co-managing directors but that corporate authority could be exercised only upon both signatures of the co-managing directors. A copy of the ISL statutes is attached hereto as Exhibit 4 and the Court's attention is respectfully drawn to paragraph 18 where the requirement for two signatures is set out. See also paragraph 19 of the statutes which specifically prohibits action in the name of the Company by any individual member of the Board of Directors.

13. I understand that the delegation of authority to the co-managing directors is the subject of an affidavit submitted by Philip Pierce, Esq., attorney for the Manta defendants. For purposes of this affidavit deponent respectfully refers the Court to the applicable sections of the affidavits submitted by Karafotias and Manta.

14. Since the ISL statutes provide that signatures of both co-managing directors are necessary to bind the corporation, the stipulation signed by only Spanos is patently void and of no consequence. In order for such a stipulation to have any validity, it must bear the signature of the other

co-managing director. Thus, Ruskay has no authority to act for ISL in this matter and Spanos, whose authority is at best derived from Ruskay, can have no authority either.

15. If there need be any further evidence of the lack of authority of Spanos and Ruskay, it need only be revealed that the other co-managing director is Christ Karafotias, a defendant in this action. Certainly Mr. Karafotias would not authorize the corporation to file a claim in which he and other members of his family were named as defendants.

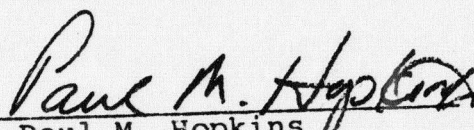
16. It has become clear by virtue of the exhaustive and at times acrimonious pre-trial examination of the Manta defendants conducted by Spanos purportedly in his capacity as attorney for defendant ISL that Spanos has a personal interest in this litigation far beyond the mere representation of ISL. Spanos has allied himself with the intervening plaintiffs in an obvious effort to prove that the defendants conspired to divert the assets of ISL. Since Spanos has from time to time sworn that he is a shareholder of ISL, it is apparent that he seeks recovery of the value of some ownership interest of his own in ISL.

17. Despite the fact that Ruskay, and not Spanos, was substituted on the record as counsel for ISL, as was noted above it is Spanos who controls the ISL participation in this action. That Spanos seeks to utilize this action for personal recovery while participating nominally as counsel for ISL is without question. Although such action by Spanos is perfectly understandable, it does not justify his participation in the role of counsel for ISL without the proper authority.

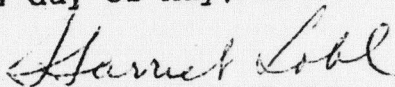
18. As pointed out in paragraph 5 of this affidavit

both Alosio and the intervening plaintiffs have brought this action to compel payment of the liabilities of ISL, an insolvent corporation, by the defendants in this action. Although ISL is joined as a defendant, it is clear that it is no more than a nominal defendant herein. In fact the intervening plaintiffs already have judgments against ISL which were returned in the New York State courts. Thus there can be no exposure to ISL in this action and the vigorous representation by Spanos is simply unnecessary. The thrust of this action is by creditors against those parties whom the creditors apparently believe have enriched themselves at ISL's expense. Since ISL is insolvent it has no exposure.

19. Spanos, far from acting on behalf of ISL, in reality acts on behalf of himself. His and Ruskay's participation in this action as unauthorized counsel for ISL is motivated by self-interest and should be prohibited.


Paul M. Hopkins

Sworn to on the
5th day of May, 1972



Notary Public

HARRIET LOBL
NOTARY PUBLIC, State of New York
No. 03-7578060
Qualified in Bronx County
Certificate filed in New York County
Commission Expires March 30, 1974

(Tehran June 2nd 1962)

٤١/٣/١٢

تاریخ
۱۳۰۴

: اول

ذروع - مدت - سرمایہ - سهام

شرکت :

تسهامی خطوط کشتی رانی ایران
شرکت: ایجاد سرویسهای حمل و نقل دریائی
بنادر ایران و دنیا بمنظور حمل اشخاص و
بار - خرید - فروش - معاوضه - اجاره رسی
و واگذاری آن کلاه و جزا - تملك - نگهداری
و گریه - اجاره - رهن - تعمیر - تعویض
تن - دایر کردن و فراهم ساختن کشتی از هر
و هر نوع و انجام و اقدام هر گونه عملیات و
سبب و موارد فوق انجام و اقدام در هر
که بمنظور تحصیل منفعت از طریق کشتیرانی
گردد و تقبل و تأسیس نمایندگی از شرکتهای
ایران و ممالك خارجی .

۴۲
اصلی شرکت - تهرآن خیابان امیرکبیر

ت شرکت - نامحدود

بمايه شرکت ده مليون ريال منقسم به دوپست
م پنجاه هزارريالی که ۱۹۵ سهم آن با نام
سهم آن بی نام است . هر سهم دارای شماره
حدود کد، شماره های آن از یک شروع وبه
۶۰۰۰۰۰۰۰ میپذیرد سهام از شماره یک تا شماره
سهام (الف) و سهام از شماره ۹۹ تا ۲۰۰
الف (بی) نامیده خواهند شد .

All correspondence to be addressed to head office P. O. Box 1693 Tehran
Telex : Bahasp . 774 2053

Contd....2

Telex : Baisp . Tha 2033

R. S. P. S. P. S.

PLF NUMBER 118
For identification
3/10, 1970

IRANIAN SHIPPING LINES S.A.

نامۀ شماره
Your letter

شماره شما
Your reference

شماره ما
Our reference

تاریخ
dated,

6. The undertaken sums mentioned in Article 5 shall be paid by the respective undertakers as follows:-

One Third heretofore, and from the date being advised of the Company's incorporation, and the balance from time to time, and in such amount as may be provided in a notice issued by the Board of Directors, addressed to the undertakers, which said notice shall be forwarded to the undertakers by registered post, and thereafter published in one of the Tehran's newspapers of wide circulation. Payments of said balance to be due twenty days after the date of the last publication of said notice. If the undertaker does not pay the undertaken sum within the period said above, a sum of twelve per cent of the original amount shall be increased annually to the relevant undertaken sum.

7. The shareholder's liabilities are limited, according to Article 21 of the Commercial Code, to the amount of their shares.

8. The Company's shares shall be signed by the two Managing Directors, sealed by the Company's seal, bear Serial Numbers and cut out of the shares book.

9. The nominal share are not transferable, unless having been signed by transferer and transferee, approved by all the Members of the

۶ - مبالغ مذکور در ماده ۵ شرح مذکور در زیر از طرف تعهد کنندگان پرداخت خواهد شد یک سوم قبلاً و از تاریخ اطلاع شرکت بقیه گاه بگاه بهیچانی که از طرف هیئت مدیره تعیین خواهد گردید طی اعلام خطاب به تعهد کنندگان به وسیله پست سفارشی و یا آگهی در یکی از جراید کثیرالانتشار تهران بعمل خواهد آمد . پرداخت تعهدات ظرف بیست روز از تاریخ دریافت اعلام و یا انتشار آگهی بعمل خواهد آمد . اگر تعهد مبلغ مورد تعهد را ظرف مدت مقرر نپردازد سالانه دوازده درصد مبلغ اصلی مبلغ مورد تعهد آنها اضافه خواهد شد

- ۷ - مسئولیت صاحبان سهام مطابق ماده ۲۱ قانون تجارت محدود بمقدار سهام آنهاست

- ۸ - سهام شرکت توسط دو نفر مدیران عامل امضا و به مهر شرکت مهرور خواهد گردید و شماره ترتیب بر آنها زده و از کتابچه سهام جدا میشود .

- ۹ - سهام با نام قابل انتقال و واگذاری نیست مگر با تصویب کلیه اعضا هیئت مدیره و موافقت انتقال دهنده و انتقال گیرنده و

H. Shaker
Contd...J.

All correspondence to be addressed to head office P. O. Box 1603 Tehran
Telex : Bobship . Tln 2053

[Signature]

D. E. Akbari

IRANIAN SHIPPING LINES S.A.

SECRET

تاریخ
dated:

در دفتری که بهین منظور در شرکت نگهداری
 • با استثنای موارد فوت یکی از سهامداران
 ر این صورت تکلیف سهام خود را مطابق مفاد
 ن وصیت نامه تعیین نموده یا در صورتیکه بدون
 نامه فوت کرده باشد بآن اشخاصی که وارث
 ب او شناخته خواهند شد تعلق میگیرد .

ارنده سهام از حقوق متعلق بآن استفاده
بد و مسئولیت های مربوط بدان را میپذیرد
منه است دارندگان سهامی که قانوناً این
نامه را پذیرفته و موافقت نموده اند تصمیمات
عمومی شرکت را که مطابق مقررات اساسنامه
شده باشد بپذیرند .

سیان سها م با طلبکاران آنها و یا وارثا
م آنها در هیچ صورت نمیتوانند اموال شرکت
ضای تامین نمایند و موظف به رعایت مراتب
م در این اساسنامه میباشد .

دوم :

منیرہ ۔۔ بازار س۔۔ مجمع عمومی

بیت مدیره مرکب از ۵ نفر خواهد بود سه
طرف سهامداران (الف) و دو نفر از طرف
داران (ب)

مدیره در اولین جلسه خود یک نفر بعنوان
هیئت مدیره دو نفر نایب رئیس و دو نفر مدیران
ایرانی خواهند بود. در غیاب رئیس ریاست بمعده
رئیس خواهند بود.

All correspondence to be addressed to head office P. O. Box 1693 Tehran
Telex : Babship . Thn 2053

B-7. Men 12/10

1967
1968
1969
1970
1971

تاریخ
۱۳۰۲

حیث مدیره نمایند قانونی شرکت بوده و برای
راه امور شرکت اختیارات نامحدود دارد و
خصوصاً حق دارد که امور مشروحه در زیر را
جامدهند
بیر اداری از هر قبیل - انجام تشریفات قانونی
نظ و تهیه صورت اموال شرکت تنظیم بودجه
شرکت - پرداخت حقوق ها و پاداشها و سایر
بینه ها - اجرای تصمیمات متخذه در مجامع
عمومی شرکت - پرداخت دیون و وصول مطالبات
شرکت - تأسیس شعبات و اعطای پذیرش نمایندگیها

Telex, Bobship. Thu 2053
R.S. [unclear]
... [unclear] ...

Contd. Page 6.

NO. 1017
JAN 10 1952
U.S. DEPT. OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

شرکت سهامی خطوط کشتیرانی ایران
IRANIAN SHIPPING LINES S.A.

تلفن: ۲۰۵۰
پستی: ۲۰۵۰
تهران
ایران
آرام مرکزی

تلفن: ۲۰۵۰
پستی: ۲۰۵۰
تهران
ایران
آرام مرکزی

تلفن: ۲۰۵۰
پستی: ۲۰۵۰
تهران
ایران
آرام مرکزی

تلفن: ۲۰۵۰
پستی: ۲۰۵۰
تهران
ایران
آرام مرکزی

تلفن: ۲۰۵۰
پستی: ۲۰۵۰
تهران
ایران
آرام مرکزی

تلفن: ۲۰۵۰
پستی: ۲۰۵۰
تهران
ایران
آرام مرکزی

تلفن: ۲۰۵۰
پستی: ۲۰۵۰
تهران
ایران
آرام مرکزی

نام شماره
Your letter

شماره شما
Your reference

شماره ما
Our reference

تاریخ
dated

are in accordance with the Commercial Code of Iran.

18. All the documents, letters, cheques and other papers are to be signed jointly by the two Managing Directors together and sealed by the Company's seal. Either or both of the Managing Directors can jointly or separately delegate their power, partly or totally to each other or to some other person provided that the delegation is in the form of a power of attorney.

19. No member of the Board of Directors is entitled to do and perform any act, individually, in the Company's name except according with a special authorization of the Board of Directors.

Inspector:

The General Meeting shall elect annually one Inspector among shareholder or other persons to audit the Company's accounts and check the balance.

20. The Inspector must check and investigate twenty days before the closing-time of the General Meeting, the accounts and the Balance Sheet, which is to be prepared by the Board of Directors. The Inspector is to submit his report, according to the provisions of the Commercial Code, on the Company's general status. The Board submits the said report in addition with its own viewpoints to the Company's General Meeting.

21. The Inspector can ask the opinion

All correspondence to be addressed to head office P. O. Box 1603 Tehran
Telex: Boship. Tln 2053

Contin. Page 7.

نون تجارت است

لیه اسناد نامه ها چکها و سایر اوراق بهادار
کت میبایستی وسیله مدیران عامل متفقاً اعضا
مهر شرکت مهور گردد هر یک از مدیران عامل
توانند به تنهایی و یا متفقاً اختیارات مربوط
خود را بدیگری و یا غیر کلاً یا بعضاً وکالتاً تعویض
ایند

هیئت مدیره از اعضا هیئت مدیره حق ندارند
غرداً بنام شرکت اقدامی بعمل آورند مگر
نکه قبلاً در این مورد کسب اجازه از هیئت
مدیره شده باشد

زرر:

جمع عینی سالانه یک نفر بازرس از
بان صاحبان سهام و یا اشخاص خارج
انتخاب خواهد کرد تا حسابهای شرکت را
میزی نمود و موازنه حسابها را بررسی نماید
بازرس موظف است بیست روز پیش از انعقاد
جمع عین حسابها و ترازنامه شرکت را که
ز طرف هیئت مدیره تهیه شده است
بررسی و مطالعه نماید - بازرس موظف است که
مطابق قانون تجارت گزارش خود را راجع به
وضع عینی شرکت تنظیم نماید هیئت مدیره
این گزارش را همراه نظریات خود به مجمع
عمومی شرکت تقدیم خواهد کرد

بازرس میتواند در صورت لزوم و هنگامیکه

All correspondence to be addressed to head office P. O. Box 1603 Tehran
Telex: Boship. Tln 2053

Contin. Page 7.

Handwritten signatures and stamps at the bottom of the page.

411

شرکت سهامی خطوط کشتیرانی ایران
IRANIAN SHIPPING LINES S.A.

تاریخ
Your letter

شماره شما
Your reference

شماره ما
Our reference

تاریخ
dated:

with these Articles of Association are binding for all the shareholders present as well as absent.

26. Proceedings and decisions of the General Meeting must be taken down in a special book, signed by the President, Secretary, one of the Inspector and a member of the Board of Directors and kept at the Company's Head-Office.

Ordinary General Meetings:

27. The Ordinary General Meeting is held for deliberating the Company's affairs and adopting decisions thereupon.

28. All shareholders can attend and cast vote in the general meeting, ordinary as well as extra-ordinary.

29. The Company's General Meeting becomes formal when the present shareholders hold at least 75 percent of the Company's shares, and the decisions are taken by a 2/3 rd majority vote of the present quorum.

30. The annual General Meeting is held on 25th of each year. The exact date and hour and also the agenda of the Meeting is to be fixed by the Board of Directors, in the above advertisement. The functions of the Ordinary General Meeting are as follows:

A) Listening to the reports made by the Board of Directors and Inspector about the operations and accounts of the last year and the financial status of the Company.

حاضر و غایب الزام آور است .

مذاکرات و تصمیمات مجمع عمومی میبایست در دفتر مخصوص ثبت شود و با امضا رئیس منشی بازرسی یکی از اعضا هیئت مدیره برسد و در مرکز شرکت نگهداری شود .

مجمع عمومی عادی -

مجمع عمومی عادی برای بررسی امور شرکت و اتخاذ تصمیم در آن زمینه میباید .

صاحبان سهام میتوانند در مجامع عمومی ام از فوق العاده و عادی شرکت ورزند و رای دهند .

مجمع عمومی شرکت وقتی رسمیت مییابد که صاحبان سهام حاضر حداقل ۷۵٪ سهام شرکت را دارا بوده و تصمیمات با اکثریت ۲/۳ (دو سوم) آرا اتخاذ میگردد .

مجمع عمومی سالانه در اسفند ارسال تشکیل میشود تاریخ دقیق روز ساعت و نیز دستور مجمع میبایست از طرف هیئت مدیره در آگهی مذکور در بالا معین شود .
لائف مجمع عمومی عادی شرح زیر است

استماع گزارشات هیئت مدیره و بازرسیها در اطراف حسابها و عملیات سال گذشته و وضع مالی شرکت .
تصویب یا رد گزارشهای گفته شده .
تصویب یا رد حسابها .

تعیین سود خالص شرکت و طریقه تقسیم آن .
انتخاب مدیران (مطابق ماده ۱۲) و بازرسان جدید رای آنها بکنه مدت خدمتشان منقضی شده و یا از کار رکنار شده اند .

بر و تصمیم در باره پیشنهاداتی که از طرف هیئت

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Q. 100 100 100
100 100 100
100 100 100
100 100 100

تاریخ
dated,

برای خط مشی سال آیند مبعمل آمده است
به بودجه و اعتبارات شرکت .

ن حقوق و اعضا هیئت مدیره و بازرسیها در صورتیکه
حقوقی وجود داشته باشد .

تصمیم در باره کلیه مسائل دیگر که در دستور جلسه
شرط بآنکه در حدود صلاحیت مجمع عمومی فوق العاده

شروط بانک، در حدود صلاحیت مجمع عمومی فوق العاده

سبع مفرق فوق العاده

و در اختیارات و صلاحیت مجمع معوس فوق العاده
مجلس نیز است.

اد یا متقابل سرمایہ شرکت تغیر اسم و ماہیت صدور

اد یا تقابل سرمایه شرکت تغییر اسم و ماهیت صدور
جدید و در نوع تغییرات در اساسنامه شرکت
تمام مقررین فوق العاده موافق رسمیت میباید که صاحب

۱۰۷۰ / سهام شرکت حاضر باشند
 سهامت مجامع عمومی فوق العاده مؤتمن مؤثر و
 اجراست که با کثرت آرا سهام داران
 و دارای رای (شخصه ایما و کالتا) اتخاذ شده باشد

GENERAL EXTRA-ORDINARY MEETINGS:

• سہات سالانہ و منافع مربوطہ

سال مالی شرکت از اول فروردین ماه شروع و در
آخر اسفند ماه پایان مییابد .
اولین سال مالی از تاریخ تاسیس شرکت شروع و در
آخر اسفند ماه همان سال خاتمه پیدا میکند .
هیئت مدیره بیلان نفع و ضرر شرکت را در پایان ششم
و نهم هر سال تنظیم نموده و آنرا تسلیم

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H. Shady
Contnd. Page 10.

correspondence to be addressed to head office P. O. Box 1693 Tehran
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شرکت سهامی خطوط کشتیرانی ایران
IRANIAN SHIPPING LINES S.A.

تلفن: ۲۰۵۲
پست: ۲۰۵۲
تهران، بابویه
خیابان امیرکبیر، ۱۲
کریه

تلفن: ۲۰۵۲
پست: ۲۰۵۲
تهران، بابویه
خیابان امیرکبیر، ۱۲
کریه

تلفن: ۲۰۵۲
پست: ۲۰۵۲
تهران، بابویه
خیابان امیرکبیر، ۱۲
کریه

تلفن: ۲۰۵۲
پست: ۲۰۵۲
تهران، بابویه
خیابان امیرکبیر، ۱۲
کریه

تلفن: ۲۰۵۲
پست: ۲۰۵۲
تهران، بابویه
خیابان امیرکبیر، ۱۲
کریه

تلفن: ۲۰۵۲
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تهران، بابویه
خیابان امیرکبیر، ۱۲
کریه

تلفن: ۲۰۵۲
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تهران، بابویه
خیابان امیرکبیر، ۱۲
کریه

تلفن: ۲۰۵۲
پست: ۲۰۵۲
تهران، بابویه
خیابان امیرکبیر، ۱۲
کریه

نام شماره
Your letter

شماره شما
Your reference

شماره ما
Our reference

تاریخ
Date

things become formal when at least the owners of 75 percent of the Company's shares are present.

33. The decisions of the General Extra Ordinary Meetings become effective when adopted by a three fourth vote of the shareholders present in person or by proxy and entitled to vote.

Annual Accounts and the interest thereof.

34. The Company's fiscal year begins on Farvardine March 1st, and ends on Esfand, March 30th.

Note: The first fiscal year begins at the date of the Company's establishment and end at the end of Esfand of the same year.

35. The Board of Directors shall draw up the Company's Loss-and-Profit-Account, at the end of the first-half of each year and deliver it to the Inspector.

INTERESTS:

36. The administrative and operating expenses of the Company shall be deducted from the gross profits of the Company and what remains shall be deemed to be the net profits of the Company. There shall be no division of any net profit amongst the shareholders until first ten percent shall be put aside as reserve capital for unforeseen losses and second, the investors in the Company have been repaid their invested capital. Thereafter, the remainder of the net profits shall be divided among the shareholders unless the General Meeting, according to a proposal of the Board of Directors, transfers a part of the net profits to the next year's account.

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H. Sh. L. Co.
Contd; Page 41

[Signature]
[Signature]

میباشد
شرکت

از وضع هزینه های بهره داری شرکت بقیه در
سود خالص نماید خواهد شد
خالص شرکت پس از وضع در صد بعنوان
به احتیاطی و استرداد سرمایه پس قابل
این دایمان سهام خواهد بود مگر آنکه
بوی استحقاق پیش نهاد هیئت مدیره
به انتقال قسمت از منافع خالص حساب
در احتیاط نماید

شرکت سهامی خطوط کشتیرانی ایران
IRANIAN SHIPPING LINES S.A.

نام شماره
Your letter

شماره شما
Your reference

شماره ما
Our reference

تاریخ
dated:

37. Dissolution and the ways of liquidation of the Company:

As per the Code of Commerce.

Signed and approved by:

Mr. Nicholas SPANOS

Mr. John L. MANTA

Captain Philip SPANOS

Mr. Hask DABAYAN

Dr. Amir-Aslan AFSHAR

Admiral Habibollah SHAHIN

انحلال و طریقه تصفیه شرکت مطابق قانون تجارت است

امضاء

نیکولاس — پانوس

جان ال مانتا

کاپیتان فیلیپ — پانوس

هاسک دابایان

دکتر امیر اسلان افشار

امیرالیه حبیب الله شاهین

MEMORANDUM IN OPPOSITION TO THE MOTION OF IRANIAN SHIPPING
LINES TO BRING ADDITIONAL PARTIES (pp.44a-54a)

MEMORANDUM IN OPPOSITION TO THE
MOTION OF ISL TO BRING IN ADDI-
TIONAL PARTIES AND IN SUPPORT OF
THE MIDLAND BANK'S CROSS-MOTION
TO DISMISS THE "CROSS-CLAIM" AND
VACATE THE APPEARANCES OF JOSEPH
A. RUSKAY, ESQ. AND NICK C.
SPANOS, ESQ.

INTRODUCTION

This action was commenced by Rudolph V. Alosio ("Alosio") in January 1967 against Nasser Afshar ("Nasser"), certain of Nasser's relatives, Iranian Shipping Lines ("ISL") and The Midland Bank (the "Bank").

Approximately a year and one-half later, in or about June 1968, Alosio filed an amended complaint which substantially added to the number of defendants named in the initial complaint. Among those added as defendants were Hask Babayan, Cargo and Shipping, S.A., Guaranty Bank and Trust Company, John L. Manta, certain of John Manta's relatives and various corporations in which he had an interest (Manta, his relatives and their corporations being

45a

hereinafter referred to as the "Manta defendants").

In September 1968 a motion was filed by certain creditors of ISL seeking leave to intervene as plaintiffs. This motion was granted shortly thereafter. Among those who intervened were Atlantic Steamers Supply Co., Inc. of Pennsylvania, Bay Ridge Operating Co., Inc. and Gulf Oil Trading Company.

Since that time this action has been prosecuted by the intervening plaintiffs. Other than appearing for his deposition, neither Alosio, who now resides in California, nor his counsel have taken any part in the proceedings, although copies of all papers served on other parties are also served on Alosio through his counsel. There have been several jurisdictional, procedural and discovery motions argued and depositions of the Manta defendants and the Midland Bank have been substantially completed. Among the procedural motions was an amendment to the complaint to drop John L. Manta and substitute his estate following his death in November, 1968.

The allegations contained in Alosio's amended complaint are essentially that Nasser, the Manta defendants, the Bank and others participated in a conspiracy to divert

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the assets of ISL for their own use and benefit to defeat the rights of creditors. As a result of this conspiracy, according to Alosio, ISL was rendered insolvent and Alosio was thereby deprived of his right to redeem certain ISL notes which Alosio alleges had been transferred to him by Nasser as collateral against moneys which had been advanced to him by Alosio.

The complaint served by the intervening plaintiffs alleged essentially the same conspiracy, i.e., that the defendants had conspired to divert the assets from ISL to themselves in order to defeat the rights of creditors. All intervening plaintiffs had obtained judgments against ISL in the New York State courts which, because of the insolvency of ISL, are unsatisfied.

In March 1972, ISL, through Joseph A. Ruskay, Esq. ("Ruskay") and Nick C. Spanos, Esq. ("Spanos"), served a pleading purporting to be a "Cross-Claim" which for the first time charged that the alleged conspiracy among the defendants was in violation of Section 1 of the Sherman Antitrust Act. According to the "Cross-Claim", the aim of the conspiracy was the elimination of ISL as a competitor in the shipping trade between the United States and nations

on the Persian Gulf so that such commerce could be monopolized by certain named Iranian defendants and shipping companies controlled by them. The "Cross-Claim" named as defendants 21 individuals and companies who had not been named as defendants in the action previously.

The Bank received two extensions of time to answer or otherwise move with respect to the "Cross-Claim", the last extension terminating on May 1, 1972. However, by letter, on April 19, 1972 the Bank, through its attorneys, received notice of a motion by ISL to bring in and serve those parties who had previously not been made defendants in this action. The motion papers did not seek leave of court to serve the "Cross-Claim" although, as noted below, leave is necessary.

This memorandum is filed in opposition to the motion of ISL to bring in additional parties and in support of a cross-motion by the Bank to dismiss the "Cross-Claim" and vacate the appearances of Spanos and Ruskay.

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LEAVE TO BRING IN ADDITIONAL PARTIES
SHOULD BE DENIED AND THE "CROSS-CLAIM"
FILED ON BEHALF OF ISL BY NICK C.
SPANOS, ESQ. AND JOSEPH A. RUSKAY, ESQ.
MUST BE DISMISSED SINCE NEITHER SPANOS
NOR RUSKAY IS AUTHORIZED TO ACT AS
ATTORNEY FOR IRANIAN SHIPPING LINES

The "Cross-Claim" served upon various defendants in this action bears the signature of Nick C. Spanos, Esq. Spanos signs on behalf of Joseph A. Ruskay and himself, as attorneys for ISL. Authorization for Messrs. Ruskay and Spanos to act as attorneys for ISL in this action is apparently predicated upon a stipulation filed July 22, 1970 by which Ruskay was substituted for Nicholas Tryfourous, Esq., former attorney for ISL. The stipulation, dated July 8, 1970, was signed on behalf of ISL only by Spanos.

On or about November 3, 1970 Ruskay made an application under Rule 3(c) of the General Rules for the admission of Spanos, a member of the California Bar, to assist him in this action. The application was opposed by the Manta defendants, but an order admitting Spanos was filed on or about January 15, 1971.

As more fully set forth in the affidavit of Paul M. Hopkins, Esq. submitted herewith, it has become apparent

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during the course of discovery proceedings that ISL corporate authority is vested in a five-man Board of Directors which had elected two co-managing Directors. The corporate scheme requires the signatures of both co-managing Directors to validate corporate acts; thus, ISL corporate authority can not be invoked by only one co-managing Director.

The stipulation submitted in support of the motion to substitute Ruskay as attorney for ISL was executed only by Spanos, who purported to invoke his authority as a co-managing Director to sign on behalf of ISL. Ruskay, in turn, moved the admission of Spanos and Spanos assumed the primary role as counsel for ISL. There has been no claim that Ruskay's substitution had been approved by the other co-managing Director or by a majority of the Board of Directors.

The chain of events is clear: Spanos approved Ruskay who then brought in Spanos who assumed control of the litigation. In simple terms, Spanos retained himself to represent ISL in this matter. Such retention, however, was without the requisite approval by ISL and consequently wholly invalid.

The law is abundantly clear that an attorney may not act as counsel or bring an action in the name of a

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corporation without first obtaining authority of the corporation to proceed in its name. Stock v. Mann, 255 N.Y. 100 (1930); Voron & Chait v. Benguait, 162 N.Y.S. 974 (1st Dept. 1917); Hertz v. Quinn & Kerns, 21 Misc.2d 227, 195 N.Y.S.2d 907 (N.Y. Co. 1959).

The Hertz case is particularly applicable here. In Hertz a majority of the directors of the corporation decided not to contest the liability of the corporation in an action which had been commenced against it. Despite this decision, a dissenting director retained counsel who appeared for the corporation. When the appearance was challenged by the plaintiff, the court held specifically that the dissenting director had no authority to retain an attorney on behalf of the corporation. The appearance of that attorney was declared a nullity and vacated.

Here there can be no dispute that neither Ruskay nor Spanos were retained as attorneys for ISL by anyone with the authority to act for ISL. There have been no meetings of the Board of Directors since July 1966 nor does Spanos have the authority to bind ISL by his signature alone. An affidavit submitted by Philip Pierce, Esq., attorney for the Manta defendants, is also dispositive of this question.

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Although there is a presumption that an attorney has the authority to act for the party he purports to represent, the court always retains the right to require that the attorney exhibit his authority where it is called into question. See, e.g., Weinstock v. Long, 29 Misc. 2d 795, 214 N.Y.S.2d 593 (Westchester Co. 1961) and cases there cited. Since it is apparent by the facts underlying the ISL corporate scheme and by the affidavit submitted by Philip Pierce, Esq. that the appointment of Ruskay was never a valid corporate act, any presumption which might have aided Ruskay has been defeated. Similarly, because the appearance of Ruskay was never authorized by ISL, his actions in this litigation are without authority and his motion to admit Spanos must consequently be invalid. Therefore the appearance of Spanos must also be vacated.

Even though the subject matter of a lawsuit may be of substantial interest to the corporation, there must be authority from the corporation to permit an attorney to represent it. Sterling Industries, Inc. v. Ball Bearing Pen Corp., 298 N.Y. 483 (1949). There Sterling Industries, Inc. was formed by two groups of men who were to share control evenly and representation on the Board of Directors

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was divided evenly between the two groups. When the president sought permission to commence an action against a corporation controlled by one of the groups which had formed Sterling, the Board of Directors of Sterling split evenly between those who were in favor of the suit and those who were opposed. Thus permission was not granted.

Despite the vote, the president initiated the lawsuit. In holding that the president had no authority to commence the suit the court recognized, at 298 N.Y. 492, that the proposed action "... vitally concerns the [corporation] and affects its interests in respect to a substantial asset" but found this insufficient to justify the unapproved action by the president.

Even assuming arguendo that a threat to a vital interest of a corporation would justify the unapproved retention of counsel, the appearance of Ruskay and Spanos in this action would not be justified, since ISL is but a nominal defendant here. Purely and simply, this action is an action by creditors of ISL alleging that the defendants have diverted ISL assets for their own use to defeat the rights of creditors. In fact the intervening plaintiffs have already obtained judgments against ISL in state courts

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and now seek to enforce those judgments. It is difficult to see how there can be further liability to ISL in such a situation. However, as demonstrated above, even the threat of additional liability would be insufficient to justify the unauthorized appearance of Ruskay and Spanos.

Interestingly, the court in Sterling found that the remedy of the persons who were in favor of the lawsuit was a stockholder derivative suit. A similar observation was made in Cogwill Land Co. v. Coughlan, 275 A.D. 759, 280 N.Y.S. 579 (2d Dept. 1935) where it was held that the unauthorized appearance of an attorney on behalf of the corporation should be vacated.

As is fully set forth in the affidavit of Paul M. Hopkins, Esq., it is apparent that Spanos is directing the litigation on behalf of ISL. Spanos has submitted sworn statements in this action in which he describes himself as a stockholder of ISL; if he feels that there is some legal action which ISL should pursue, let him bring a stockholder derivative suit to assert whatever right he feels ISL should assert. Without authority, however, he may not pursue those rights in this litigation.

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CONCLUSION

For the foregoing reasons, the motion to bring in additional parties must be denied, the purported "Cross-Claim" must be dismissed and the appearances of Spanos and Ruskay must be vacated.

Respectfully submitted,

Royall, Koegel & Wells
Attorneys for Midland Bank &
Trust Company
200 Park Avenue
New York, New York 10017

OF COUNSEL:
Paul M. Hopkins

CROSS CLAIMANT'S REPLY AFFIDAVIT

55a

(PP. 55a-63a)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
RUDOLPH V. ALOSIO, :
 :
Plaintiff, : 67 Civ. 9
 :
-against- : (Judge Brieant)
 :
IRANIAN SHIPPING LINES, S.A., :
et al., : CROSS CLAIMANT'S
 : REPLY AFFIDAVIT
Defendants. :
-----X

STATE OF NEW YORK)
 : ss.:
COUNTY OF NEW YORK)

NICK C. SPANOS, being duly sworn, deposes and states as follows:

1. I am and, since 1949, have been a member of the California Bar. On January 15, 1971, I was by order of this Court admitted to appear specially, along with Mr. Joseph A. Ruskay ("Ruskay"), as one of the attorneys for the defendant, Iranian Shipping Lines, S.A. ("ISL").

2. I make this affidavit in support of ISL's motion for an order permitting the inclusion of various persons as additional defendants and in opposition to (a) the motion of the defendants George L. Manta, et al., represented by Messrs. Booth, Lipton and Lipton ("Manta defendants"), to dismiss the cross claim of ISL and (b) the motion of the defendant Midland Bank and Trust Company ("Midland Bank") for an order dismissing the said cross claim and "vacating the appearances of Joseph A. Ruskay, Esquire and Nick C. Spanos, Esquire as attorneys" for ISL. Reference herein to deposition testimony will be indicated by the

deponent's initials (Steve Manta - SM; Christ Karafotias - CK; and Mark Francis Manta - FM) and the transcript page number. (The reporter who took Frank Manta's testimony in 1971 began numbering the pages with page 1 without reference to the page numbers in the witness's 1970 testimony. Thus, Frank Manta citations will also give the year when the testimony was given. This also applies to Christ Karafotias).

3. I have read the moving papers, supporting affidavits and memoranda of law filed by the Midland Bank and the Manta defendants respectively, including the affidavit of defendant George Manta and the affidavits of attorneys Philip Pierce, Esquire and Paul M. Hopkins, Esquire. It appears from the face of these papers (see paragraph 13 of Hopkins' Affidavit) that these motions represent a joint effort by the Manta defendants and the Midland Bank. There are nevertheless contradictions on an important fact between the affidavits of Mr. Hopkins and that of Mr. Pierce. Thus, according to the Hopkins Affidavit, "Spanos has from time to time sworn that he is a shareholder of ISL [and] it is apparent that he seeks recovery of the value of some ownership interest of his own in ISL" (Hopkins Affidavit, paragraph 16); whereas in paragraph 16 of his affidavit, Mr. Pierce declares that "SPANOS is not a shareholder of ISL. Shares 1 to 96 'in the name of' SPANOS belong to the MANTAS or others ****". (Mr. Pierce's statements are, of course, not true. See paragraphs 19 to 22 below.)

The Midland Bank Motion

4. Much of what is in the Midland Bank STATEMENT OF FACTS is clearly irrelevant to the only issue raised by the

Midland Bank--that of my authority and status. Significantly, the Bank gives no record citations for any of its "facts", although many, in addition to being irrelevant, are either not supported by the record or are contradicted by the record created to date. For instance, the Bank's suggestions that "the Manta family apparently furnished most of the capital for ISL" (p. 5); and that "there came a time during the spring of 1966 when the Manta family would put no more capital into ISL despite the entreaties of Spanos" (p. 8) because it was (the Bank claims) then that "the ill will between Spanos and other to manage the Company's affairs", including the power to dismiss the managing Directors and appoint new ones at will. See Articles 16 and 18 of the ISL Statutes attached to the Hopkins Affidavit as Exhibit 4. Although it is possible there may have been some brief gaps and interruptions, the Manta defendants at all times since June, 1962, including particularly all times since December 23, 1964, controlled three and sometimes four of the five members of ISL's Board.

10. The Bank's statements that for any "act of the co-managing Directors to be valid and binding, both co-managing Directors were required to assent to the act and both were required to sign documents on behalf of ISL" and that "the signature of one of the co-managing Directors was incapable of binding ISL" are accurate as far as they go. But they overlook not only Article 16, giving unlimited power to the Board, but also Article 19 of the Statutes of ISL which provides that "no member of the Board of Directors is entitled to do and perform any act, individually, in the Company's name except according with a special authorization

of the Board of Directors" (emphasis supplied). (See Hopkins Affidavit, Exhibit 4, Article 19 and Manta defendants' Memo. p.23).

11. Although the foregoing are only some of the questionable assertions made by the Bank, I believe that, within the practicality of time and space, they sufficiently demonstrate that there are serious omissions and errors in what purport to be factual recitals in the Bank's moving papers. A further measure of the unreliability of the Bank's presentation is its failure to mention in its moving papers one of the most critical and important incidents in the history of ISL; namely the arrest of the Kashan in Benghazi in May of 1966. The Kashan was ISL's best vessel. Its April, 1966, sailing from New York, with a manifest in excess of \$500,000, was the first voyage on which the results of the groundwork laid for more than a year by ISL in both Iran and the United States began to be felt. If ISL could have collected all the revenues from that voyage, it would have "survived"; at worst it could have sold its assets and, after its debts were paid, distributed what remained to its shareholders. Unfortunately, early in May, 1966, when the Kashan reached Benghazi, its first port of call after it left New York, it was arrested for an indebtedness which initially was less than \$10,000, and remained there under arrest until approximately the end of June (by which time that initial indebtedness and many of ISL's other liabilities had snowballed). This was because, by reason of the wrongful conspiracy alleged in ISL's cross claim, ISL had been stripped of all its liquid assets and rendered unable to raise even the small amount of money which it would have taken to release the vessel at the

beginning.

12. I have, since June, 1962, been a member of ISL's Board of Directors and one of its two titular managing Directors. I also possess a special authorization given to me on March 28, 1964, at a meeting of ISL's Board of Directors pursuant to the provisions of Article 19 of the ISL Statutes which are quoted above. I was, by an appropriate resolution unanimously passed at that meeting, appointed "legal attorney of the Board of Directors, with full power and authority to negotiate, pursue, commit, sign any act or action required by the Company and on behalf of the Company and sign alone" and "authorized to institute legal action against any person and/or party for the collection of all funds due, and owed to the Company". A copy of the minutes of the meetings of ISL's Board of Directors on March 28, 1964, containing said resolution is attached hereto as Exhibit 1.

13. The power and authority thus conferred upon me by the resolution of the Board of Directors of ISL on March 28, 1964, has never been revoked and is and has been in full force and effect from that time down to date.

14. It was by virtue of my special authorization (and to meet the responsibilities attached to that authorization) that in 1967 when ISL was served in this action, I appointed Nicholas J. P. Tryforos, Esquire to represent it. Likewise, it was pursuant to the same special authorization that I thereafter made arrangement with Joseph A. Ruskay, Esquire and on July 8, 1970, signed the necessary papers substituting Mr. Ruskay to be the attorney for ISL in place of Mr. Tryforos. Again, it was under this special authorization that I authorized

Mr. Ruskay on November 2, 1970, to file a motion for my admission to appear specially on behalf of ISL in this case.

The Manta Defendants Motion

15. The only issues properly raised by the motions now before the Court are, as I see them: (a) my authority and status to act for ISL; (b) whether ISL had a right to file and serve its cross claim on those parties named therein who had already appeared in this action; and (c) whether ISL should be permitted to serve and join as defendants those parties who are named as defendants in its cross claim, but who have not already been served and appeared in this action.

Manta's interests in shipping companies organized under the laws of Iran in which Chafik also had an interest (SM 1032-1034). It is uncontrovertible on the basis of other evidence that if John L. Manta had any interests in such shipping companies in March of 1968, they were interests he necessarily had to have acquired some time after June 24, 1965, and while he was a Director of ISL and under an obligation to notify ISL as to any such other interests. Neither ISL nor I ever received any such notice or information from John L. Manta or otherwise prior to 1970 when the discovery in this case began. There was obviously no way for ISL or anyone connected with it outside of the Manta family, including myself, to discover the provisions of John L. Manta's will and his acquisition of shipping interests as reflected in paragraph SIXTH thereof until after his death in 1968, when his will was probated. Thus, in no event could the discovery of these facts ever have

come more than four years before the filing by ISL of its cross claim in March of 1972.

33. Mr. Pierce refers to an Exhibit D attached to his Affidavit as "a copy of a communication forwarded by the Iranian consulate, indicating that in Iran * * * efforts are pending by others to conclude ISL's affairs." (Pierce Affidavit paragraph 16). However, there is no express reference to ISL in Exhibit D! At least the English translation of the Iranian text does not show any such reference. The document purports to be signed by Hask Babayan who describes himself as "one of former member of the Board and of former managing director [sic] and representative of 44% of the company's stock." But, this description omits any mention of ISL. Even assuming Babayan is a "former member" of ISL's Board, he could be a "former member" of the Board of many companies. Likewise, he could be a "former managing director" of many companies. Why was mention of ISL omitted? Since it was omitted, what basis does Mr. Pierce have for assuming this Exhibit D really concerns ISL? The omission of any mention of ISL is even more striking in the claim not that Babayan himself is a stockholder but that he is a "representative of 44% of the company's stock." Anyone can, of course, send out notice of a shareholders' meeting of any company and describe himself as "representative of 44% of the company's stock." However, unless he names the holder or holders of that 44%, determination can not be made as to whether that notice comes from a person or persons who did, in fact, own "44% of the company's stock". Thus, the purported "notice" is meaningless.

34. The failure of Exhibit D to specify whose "representative" Babayan claims to be is significant in view of information I have received that Arya National Shipping Lines (who is named as an additional defendant in ISL's cross claim) some time ago/^{secretly} acquired 44% of the common stock of ISL.

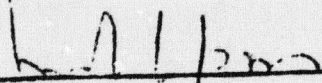
35. Another curious feature of Mr. Pierce's Exhibit D is that it does not indicate either the place or the date of the purported meeting at which the addressee is "requested to be present" even though it is a meeting purportedly to "amend our legal status in conformity with the law, amend the legal status, clarify the unclear situation of the company, or liquidate it." I can not believe that such a document as Mr. Pierce's Exhibit D has any legal significance under the law of any country except that in the United States it is some evidence to prove one of the charges in ISL's cross claim, namely that the Manta defendants and the other defendants named therein are even now acting to dissolve ISL and terminate its existence by some trick or fraud. If Mr. Pierce has any information of further facts which justify his claim that Exhibit D relates to ISL and has some legal meaning, he should come forward with it.

36. The record of this litigation demonstrates that what delays there have been in the progress of the litigation have resulted almost entirely from the deliberate strategy of the Manta defendants and the tactics they have employed pursuant thereto. Reference has already been made to the fact that the Mantas were penalized pursuant to a motion brought by the intervening plaintiffs under Rule 37.

The Manta defendants were found, in connection with that motion, to have withheld documents called for by the order of Judge Frankel even though they had such documents in their possession and control. There will be evidence available at the trial which was not available at the hearing on the Rule 37 motion of how many and what a great number of such documents the Manta defendants withheld and suppressed. The withholding and suppression of documentary evidence, of course, delays the progress of the litigation. That progress has likewise been delayed by the methods and techniques employed in the giving of testimony by the three Manta defendants who have testified to date. These witnesses--particularly the defendants Steve Manta and Christ Karafotias--have deliberately tried to confuse the record and have in their testimony withheld and concealed information as long as possible (see the example above of defendant Steve Manta's resistance to admitting that Chafik was "Tonto"). Thus, it does not lie in the mouth of Manta defendants to complain of laches since they are the ones who have caused all the delay. On the basis of their own record in this litigation, they have no standing to assert objections resting on equitable grounds because it is clear from this record that they have acted inequitably in the processing of this litigation.

FURTHER affiant sayeth not.

Sworn to before me this
23rd day of May, 1972


NICK C. SPANOS

شرکت سهامی خطوط کشتیرانی ایران (pp. 64a-65a)

IRANIAN SHIPPING LINES S.A.

IRANIAN SHIPPING LINES S.A., DECISIONS 3828/ED OF THE BOARD OF DIRECTORS, HELD AT THE HEAD-OFFICES ON MARCH 28TH, 1964.

نام شماره
Your letter

شماره شما
Your reference

شماره ما
Our reference
3828/ED

تاریخ
dated: Tehran,
March 28th, 1964

MESSRS. DR. A.A. AFNAR, PRESIDENT, NICK C. SPANOS, MANAGING DIRECTOR, HASK BABAYAN, MANAGING DIRECTOR ATTENDED TODAY TO THE MEETING OF THE BOARD OF DIRECTORS, THE MEETING WAS CALLED TO ORDER BY DR. A.A. AFNAR, THEREUPON THE FOLLOWING RESOLUTION WAS MOVED, SECONDED AND UNANIMOUSLY CARRIED:

1. As the Company is now taking the ss PERSIAN CAMSTERS to be renamed on April 1st, 1964, the ss "IRANIAN TRADER", that Mr. HASK BABAYAN is appointed Administrative Manager of the Company, with full power and authority on behalf of the Board to manage, direct the Company's affairs, sign alone on behalf of the Company.

2. That Mr. Nick C. Spanos is appointed legal attorney of the Board of Directors, with full power and authority to negotiate, pursue, commit, sign any act or action required by the Company and on behalf of the Company and sign alone. Mr. Nick C. Spanos is also authorized to institute legal action against any person and/or party for the collection of all funds due, and owed to the Company.

3. It is outlined that all financial documents, contracts, cheques are solely to be signed jointly by the two Managing Directors (Mr. Nick C. Spanos and Mr. Hask Babayan). Either or both of the Managing Directors can jointly or separately delegate their signature to some other person provided that delegation is in the form of a power of attorney.

4. That an account should be opened with a leading British Bank in the name of the Company and with the signatures of the two Managing Directors, where

All correspondence to be addressed to head office P. O. Box 1693 Tehran
Telex: Babship. Tnn 2053

Contd. Page 2

25 Mar 1964

M. M. M.

[Signature]

اداره مرکزی
تهران
شماره ۴۲
تلفن 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شرکت - باسی خطوط کشتیرانی ایران
IRANIAN SHIPPING LINES S.A.

Page 11

نام شماره
Your letter

شماره شما
Your reference

شماره ما
Our reference

تاریخ
dated:

all Company's funds, abroad will be collected and deposited.

There being no further business the meeting was adjourned.

DR. A.A. AFSHAR

NICK C. SPANOS

HAKK HAHMAYAN

[Signature]

[Signature]

[Signature]

شرکت - باسی خطوط کشتیرانی ایران
IRANIAN SHIPPING LINES S.A.

All correspondence to be addressed to head office P. O. Box 1693 Tehran
Telex : Bahship . Thn 2053

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NOTICE OF MOTION FOR ORDER GRANTING LEAVE TO JOIN OR ADD A PARTY PLAINTIFF, TO AMEND SUMMONS AND COMPLAINT 68a
UNITED STATES DISTRICT COURT (pp. 68a-68a)
FOR THE SOUTHERN DISTRICT OF NEW YORK

-----X
IRANIAN SHIPPING LINES, S.A., : (Judge Brieant)
a corporation, :
Plaintiff, : Civil Action No.
: 72 Civ. 1392
-against- :
PETER MORAITEs, et al., : NOTICE OF MOTION FOR
: ORDER GRANTING LEAVE
Defendants. : TO JOIN OR ADD A PARTY
: PLAINTIFF, TO AMEND
: SUMMONS AND COMPLAINT,
: ETC.
-----X

S I R S:

PLEASE TAKE NOTICE that upon the affidavit of NICK C. SPANOS verified the 23 day of May 1972, the Summons and Complaint herein, and all the proceedings heretofore had herein, Plaintiff Iranian Shipping Lines, S. A. (hereinafter "ISL") will, before Judge Charles L. Brieant, Jr. at the United States Court House, Foley Square, New York, N. Y., on June 1, 1972, at 2 o'clock in the afternoon of that day, or as soon thereafter as counsel can be heard, move under FRCP Rule 20 and/or 19 for leave to join Nick C. Spanos, individually and as a stockholder of ISL, on his own behalf and on behalf of all other stockholders of ISL, as an additional or co-Plaintiff herein; to amend the Summons herein to include Nick C. Spanos as an additional or co-Plaintiff under FRCP 4 (h); to amend the Complaint herein under FRCP 15 (a) in certain respects referred to in the supporting affidavit of Mr. Spanos herein; in the alternative for leave of Nick C. Spanos to intervene herein under FRCP 24; and granting such other and further relief as to this

Court seems proper.

Dated: New York, N. Y.
May 23, 1972

JOSEPH A. RUSKAY and NICK C.
SPANOS

By: Joseph A. Ruskey
Attorneys for Plaintiff
122 East 42 Street
New York, N. Y. 10017
Telephone: OX 7-3140

TO:

BOOTH, LIPTON & LIPTON, ESQS.

Attorneys for Manta Defendants in C.A. 67 Civ. 9
292 Madison Avenue
New York, N. Y. 10017

HEALY & BAILLIE, ESQS.

Attorneys for Intervening Plaintiffs in 67 Civ. 9
29 Broadway
New York, N. Y. 10006

ROYALL, KOEGEL & WELLS, ESQS.

Attorneys for Defendant
Midland Bank & Trust Company in 67 Civ. 9 and herein
200 Park Avenue
New York, N. Y. 10017

LEVIN, KREIS, RUSKIN & CYORY, ESQS.

Attorneys pro se, and attorneys
for Robert Kreis
55 Liberty Street
New York, N. Y. 10005

FRANK J. MANTA, as co-Executor of
Estate of John L. Manta
7757 South Chicago Avenue
Chicago, Illinois

J. L. MANTA, INC.
1821 South Loomis Street
Chicago, Illinois

MANTA INVESTMENTS, INC.
1821 South Loomis Street
Chicago, Illinois

CHRIST KARAFOTIAS
111 West Washington Street
Chicago, Illinois

PETER MORAITES
Robin Lane
Alpine, New Jersey

WALTER N. JONES
15 Main Street
Hackensack, New Jersey

HAIGHT, GARDNER, POOR & HAVENS, ESQS.

Attorneys for Jan C. Uiterwyk,
Jan C. Uiterwyk Co., Inc.,
Iran Line, S. A. and South
Shipping Company, S.A.
1 State Street Plaza
New York, N. Y. 10004

JOHN PENSEC

298 Greenway Road
Ridgewood, New Jersey

KIRLIN CAMPBELL & KEATING, Attorneys for
Norton Lilly & Co., Inc.
120 Broadway
New York, N.Y.

ARYA SHIPPING LINES, S.A.
c/o Norton Lilly & Co., Inc.
90 West Street
New York, N.Y.

SEYMOUR F. SIMON
39 South LaSalle Street
Chicago, Illinois

FRANK J. MANTA, a/k/a Mark Frank Manta
20400 Doria Lane, Olympia Fields
Chicago, Illinois

MANTA VIN-COR STEEL CORP.
72-25 South South Chicago Street
Chicago, Illinois

GEORGE L. MANTA
6911 South Jeffry Blvd.
Chicago, Illinois

EDWARD SWINBURNE
36 West 44 Street
New York, N.Y.

GUARANTY BANK & TRUST CO.
6760 South Stoney Island
Chicago, Illinois

AFFIDAVIT OF NICK C. SPANOS IN SUPPORT OF MOTION

69a

(pp.69a-75a-2)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----x

IRANIAN SHIPPING LINES, S.A.,	:	(Judge Brieant)
a corporation,	:	
	:	Civil Action No.
Plaintiff,	:	72 Civ. 1392
-against-	:	
	:	<u>SUPPORTING AFFIDAVIT</u>
PETER MORAITES, et al.,	:	
	:	
Defendants.	:	

-----x

STATE OF NEW YORK)
 :SS:
COUNTY OF NEW YORK)

NICK C. SPANOS, being duly sworn, deposes and
says:

I am one of the attorneys for Iranian Shipping Lines,
S.A. (hereinafter ISL), the plaintiff in the above entitled
action.

In addition your deponent is a stockholder, director
and managing director of ISL, and is fully familiar with the
facts and background of this action and of the facts, back-
ground and circumstances of a certain related consolidated
case pending in this court entitled ALOSIO vs. IRANIAN
SHIPPING LINES, S.A., et al., 67 Civil 9.

The within action was commenced by the filing of a
summons and complaint on April 5, 1972, and according to the
returns of the U. S. Marshal a copy of said summons and
complaint has been served on the parties (not the attorney
firms, except that the same has also been served on Robert

Kreis who has appeared herein by Levin, Kries, Ruskin & Gyory, Esqs.) listed in the annexed Notice of Motion. *

*Since this Affidavit was prepared other attorneys have appeared for various parties served herein, and their names have been added to those receiving Notice of this Motion.

The claims set forth in the within action are substantially the same as set forth in a Cross-claim of ISL filed in the aforesaid action of ALOSIO vs. IRANIAN SHIPPING LINES, S.A., et al. 67 Civil 9. The reason for filing this separate action after the filing and service of said Cross-Claim was, among others, that in the unlikely event that this Court should strike said Cross-Claim in whole or in part, or not grant pending motions to serve the same on certain additional parties, the instant action containing substantially the same claims would be pending.

Since the service of said Cross-Claim and of the commencement of this action certain attorneys ^{some of} for the most important defendants in the 67 Civil 9 action, to wit: the attorneys for the Manta Defendants, Booth, Lipton & Lipton, Esqs., and the attorneys for Midland Bank & Trust Company, Royall, Koegel & Wells, Esqs., have served papers in support of motions to dismiss said Cross-Claim on various grounds. One of the chief grounds underlying said motions by said defendants with respect to said Cross-Claim is that ISL had no right or authority to institute said Cross-Claim, and/or that Nick Spanos and Joseph A. Ruskay have no right or authority to represent ISL as attorneys. These grounds are set forth at considerable length in the motions of said defendants to dismiss said Cross-Claim, the one of Booth, Lipton & Lipton, Esqs. dated May 4, 1972, and the one of

Royall, Koegel & Wells, Esqs. dated May 5, 1972; both of which motions, together with supporting affidavits, exhibits and memoranda have been filed with this Court. Moreover both of said motions are returnable at the same time as this motion.

I am not only a Trustee for other stockholders, including myself, of ISL, but I am also the legal and equitable owner of a substantial number of shares of stock of ISL and desire to join this action as a co-plaintiff or additional plaintiff, suing on my own behalf and derivatively on behalf of ISL and all other stockholders of ISL similarly situated to myself. It is vital that I be permitted to join this action in this capacity for the following reason:

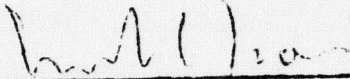
Although I have written authority to bring the within action as well as the aforesaid Cross-Claim on behalf of ISL, in the unlikely event that said authority is successfully challenged by the defendants, as it is being challenged, I will then be able to continue this action derivatively on behalf of ISL as a stockholder thereof.

I also ask leave of the Court to permit the amendment of the Summons herein to include Nick C. Spanos as a co-plaintiff.

I also ask leave of the Court to amend the Complaint in the respects set forth in Exhibit A annexed hereto.

In the alternative, your deponent asks that as a stockholder of ISL he be granted leave by this Court to intervene as a plaintiff or co-plaintiff in this action.

Additionally, your deponent respectfully requests that he be granted such other, further and different relief as to this Court may seem just and proper in the premises.


NICK C. SPANOS

Sworn to before me this
1st day of May, 1972.

EXHIBIT AAMENDMENTS TO THE COMPLAINT

(a) By adding Nick C. Spanos at the beginning of said Complaint so that the first three lines would read:-

"Iranian Shipping Lines, S.A. (hereinafter ISL) and Nick C. Spanos, demanding a jury, complain and allege against the defendants as follows:"

(b) By adding a new Count, to wit: Count Three, as follows:

"COUNT THREE

40. Plaintiff ISL re-alleges and incorporates by reference herein each and every allegation contained in Paragraphs 1 to 33 inclusive of COUNT ONE and Paragraphs 35 to 39 inclusive of COUNT TWO hereof.

41. Beginning prior to March, 1966, at a time unknown to ISL and continuing to date, the Defendants are and have been engaged in an unlawful combination and conspiracy to defraud and damage ISL, its minority shareholders and creditors. Some of the Defendants joined in said combination and conspiracy earlier than others, but all had become parties to it by at least September, 1970, and each and all of them fully subscribed to its goals, namely (a) the wrongful and unjust enrichment of the Defendants at the expense of ISL, its minority shareholders and creditors and (b) that said combination and conspiracy should remain and be concealed and undetected so that none of the conspirators would suffer any consequences or liability by reason of their participation therein.

42. Pursuant to said combination and conspiracy it was, also among other things, agreed that John Manta, Karafotias, Babayan, Frank Manta, Steve Manta, Kreis and Levin and each of them, in further breach of their fiduciary obligations and duties as Co-Managing Directors, Directors, or attorneys in fact for Directors of ISL, or as attorney and counsel for ISL, would secretly engage in activities from prior to March, 1966, and to date which were directly competitive to the business of ISL and aid and assist ISL's competitors, the Teheran Defendants, to take over ISL's business without any payment therefor to ISL, its minority shareholders or creditors.

43. The Defendants throughout have acted willfully and deceitfully and with intent to injure ISL, its minority shareholders and creditors.

44. By reason of the unlawful combination and conspiracy and the wrongful conduct pursuant thereto hereinbefore alleged and as a result thereof, ISL has suffered damage in excess of at least \$5,650,000.

WHEREFORE, Plaintiff prays:

A. That the alleged combination and conspiracy, among the Defendants be adjudged and decreed to be wrongful and in violation of the rights of Plaintiff, its minority shareholders and creditors;

B. That judgment in the amount of damage suffered by Plaintiff as a result of the wrongful conduct of the Defendants be entered in favor of Plaintiff and jointly and severally against the Defendants and each of them;

C. That judgment for punitive damages be entered in favor of Plaintiff and severally against Moraites, Midland, Nasser, George Manta, Frank Manta, Steve Manta, Karafotias, the Co-Executors, Simon and Kreis and each of them in the sum of \$250,000 each;

D. That Plaintiff recover its cost of litigation including a reasonable attorneys' fee;

E. That this Court issue an injunction directing the Defendants forthwith and during the pendency of this litigation, to cease from any further effort to cause Plaintiff's dissolution and to end its corporate existence; and

F. That Plaintiff have such other and further relief as to the Court may seem just and proper.

(c) By adding a new Count, to wit: Count Four, as follows:-

45. Plaintiff re-alleges and incorporates by reference herein each and every allegation contained in Paragraphs 1 through 33 inclusive of COUNT ONE, Paragraphs 35 to 39 inclusive of COUNT TWO, and paragraphs 41 through 44 inclusive of COUNT THREE hereof.

46. Plaintiff is a common stockholder of ISL and has been such stockholder at all the times of the acts and transactions herein complained of.

47. Plaintiff brings this action on behalf of himself and all other stockholders of ISL similarly situated, and derivatively in the right and for the benefit of ISL.

48. No formal demand has been made by the Plaintiff upon the Board of Directors of ISL to institute an action based upon the acts complained of herein. In any event any such demand would have been futile and ineffective, since the Manta Defendants and other defendants have effective ~~xxxxx~~ control of ISL's outstanding stock, which control is further augmented by the stock ownership of members of their families and corporations owned and/or controlled by them. Furthermore, the Board of Directors of ISL is dominated and controlled by the Manta Defendants and other defendants who have acted in conspiracy with them, and a majority of said Board has either participated in the acts and transactions complained of, or acquiesced in or approved thereof and are personally liable therefor, and the institution of this action by said directors would place the action in hostile hands and prevent its effective prosecution.

49. No previous demand upon the ISL stockholders to bring this action was made. Any such demand was unnecessary and would have been futile because the wrongs alleged herein constitute a fraudulent waste of the assets of ISL, a misappropriation of ~~its~~ assets, and cannot be ratified except by the unanimous action of all of its stockholders which is impossible to obtain since certain individual defendants are stockholders of ISL and any stockholder resolution to institute such a suit would have been futile. Moreover the owners of a majority of the stock of ISL, or members of their families or associates, are defendants in this action; and any action instituted by ISL at their behest would have placed control of the action in the hands of the wrongdoers and prevented its effective prosecution.

50. Plaintiff has no adequate remedy at law.

WHEREFORE, Plaintiff prays:

A. For the same judgment and relief as prayed for in connection with COUNTS ONE, TWO AND THREE hereof;

B. Directing the Defendants to account and pay over to ISL the loss and damage sustained by it, and all profits, gains and benefits received by such Defendants as a result of the acts and transactions herein complained of;

C. Granting that plaintiff have such other, further and different relief as to the Court may seem just and proper;

D. Awarding Plaintiff the costs and expenses of this action, including reasonable counsel fees."

(d) By adding a verification of the Complaint by Nick

C. Spanos as follows:

"STATE OF NEW YORK } :ss:
COUNTY OF NEW YORK }

NICK C. SPANOS, being duly sworn, deposes and says: I am a plaintiff in the above entitled matter and have read the foregoing amended complaint. The same is true to my own knowledge except as to those matters stated upon information and belief, and as to those matters I believe it to be true.

NICK C. SPANOS"

75a-2

NOTICE OF ENTRY

Sir: Please take notice that the within is a (certified) true copy of a duly entered in the office of the clerk of the within named Court on 19

Dated,

Yours, etc.,

JOSEPH A. RUSKAY

Attorney for

Office and Post Office Address

122 East 42nd Street

Borough of Manhattan New York, N. Y. 10017

To

Attorney(s) for

NOTICE OF SETTLEMENT

Sir:--Please take notice that an order

of which the within is a true copy will be presented for settlement to the Hon.

one of the judges of the within named Court, at

on the day of 19

at M.

Dated,

Yours, etc.,

JOSEPH A. RUSKAY

Attorney for

Office and Post Office Address

122 East 42nd Street

Borough of Manhattan New York, N. Y. 10017

To

Attorney(s) for

Index No. 72 Civ. 1302 Year 19

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

**IRANIAN SHIPPING LINES, S.A.,
a corporation,**

Plaintiff,

-against-

PETER MORAITES, et al.,

Defendants.

**NOTICE OF MOTION FOR LEAVE TO
JOIN OR ADD PARTY PLAINTIFF, etc.
and SUPPORTING AFFIDAVIT.**

JOSEPH A. RUSKAY

Attorney for **Plaintiff.**

Office and Post Office Address, Telephone

122 East 42nd Street

Borough of Manhattan New York, N. Y. 10017

OXford 7-3140

To

Attorney(s) for

Service of a copy of the within

is hereby admitted.

Dated,

Attorney(s) for

© 1966 EXCELSIOR-LEAL STATIONERY CO., INC., 22 WHITE ST., N.Y.

BEST COPY AVAILABLE

-----x
IRANIAN SHIPPING LINES, S.A.,
a corporation,

Cross-Claimant,

-against-

PETER MORAITES, et al.,

Impleaded Defendants.
-----x

STATE OF NEW YORK)
 : ss.:
COUNTY OF NEW YORK)

PHILIP PIERCE, being duly sworn, deposes and
says:

1. This Affidavit is submitted in behalf of
the MANTA defendants:

(a) in reply to the Affidavits
of NICK C. SPANOS ("SPANOS") and SIRIUS
COOK which oppose the defendants' motion
to dismiss the purported cross-claim;

(b) in opposition to the Motion
dated May 23, 1972 made in the name of
IRANIAN SHIPPING LINES, S.A. ("ISL") to
join Spanos as an additional cross-claimant,
amend the cross-claim (again) or alternatively
for leave to SPANOS to intervene in the cross-
claim; and

(c) in opposition to the Motion
dated April 17, 1972 in the name of ISL

Statutes as evidence of its authority to bring these suits before the Court in the name of ISL. But SPANOS misconstrues the effect of Article 19 which must be read in conjunction with the rest of the Articles in the Statutes. Thus, Article 18 provides that all acts on behalf of the corporation requires the consent of two managing directors, which power may be assigned only by written power of attorney. It is clear, when read in this context, that Article 19 refers only to a specific authorization by the Board for a specific act or occurrence after due deliberation thereon by the Board. To grant one director unilateral perpetual power of committing ISL "to any act or action required by the Company . . . " certainly is contrary to the very language of, and certainly the spirit of the Statutes and, and probably it would appear, of the Iranian Commercial Code as well.

10. SPANOS charges that the MANTAS controlled at least three of the five member Board of Directors of ISL at all times and yet presents proof by Exhibit 1 to his own Affidavit that exactly the contrary was the case. That Exhibit, the purported minutes of a purported Board of Directors meeting, discussed above, appears to be signed by NICK SPANOS, DR. A. A. AFSHAR and HASK BABAYAN -- SPANOS and the two Iranian directors making a majority out of the five directors of ISL. Thus, it would appear,

former director, is deceased, and HASK BABAYAN, former director, was removed as a director in 1966.

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None of the numerous complaints involving these activities now before the Court have alleged or have even inferred that DR. AFSHAR has been guilty of any wrongdoing whatsoever. DR. AFSHAR is presently the Ambassador for the Shah of Iran to the United States of America and as such, presently resides in Washington, D. C. Since SPANOS, it would appear, does not mean to infer that DR. AFSHAR is "dominated and controlled by the Manta defendants" or has "acted in conspiracy with them" or is "personally liable" for his acts, and certainly has not alleged that he himself has so acted, it is difficult to understand how he can state that the Board of Directors of ISL is controlled by the MANTAS and that the demand upon them would be futile and ineffective, if in fact the demand were in an appropriate cause.

FRCP 23.1 further states that:

" . . . the derivative action may not be maintained if it appears that the plaintiff does not fairly and adequately represent the interests of the shareholder or members similarly situated in enforcing the right of the corporation or association."

It is submitted that SPANOS does not fairly and adequately represent the interest of any shareholder of ISL, that he has failed to demonstrate same and that, therefore, this motion must be dismissed.

WHEREFORE, it is prayed:

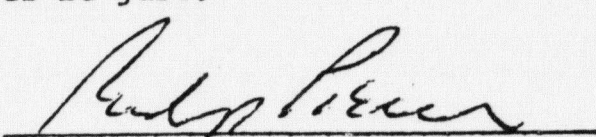
79a

1. That the motions to dismiss the cross-claim be granted;

2. That the motion dated May 23, 1972 to join SPANOS as an additional cross-claimant, amend the cross-claim for leave for SPANOS to intervene, be denied; and

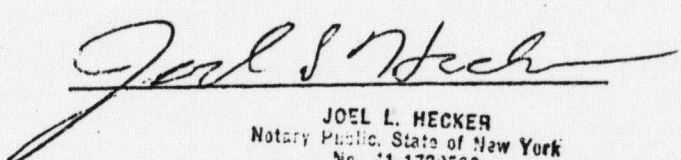
3. That the motion dated April 17, 1972 for leave for ISL to join in the cross-claim and bring in additional parties, be denied,

and that this Court afford such other and further relief which may in these premises be just.


PHILIP PIERCE

Sworn to before me

this 31st day of May, 1972.


JOEL L. HECKER
Notary Public, State of New York
No. 41-1732560
Qualified in Queens County
Term Expires March 30, 1973

HEARING MINUTES BEFORE BRIEANT, J.
(pp. 80a-145a)

80a

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----x
Rudolph V. Alosio,

Plaintiff,

v.

67 Civ. 9

Iranian Shipping Lines, S. A.,
et al.,

Defendants.

- and related cases -
-----x

June 1, 1972
2:00 p.m.

BEFORE:

HON. CHARLES L. BRIEANT, JR.,

District Judge

APPEARANCES:

Healy & Baillie, Esqs.

Attorneys for Plaintiff

Sirius C. Cook, Esq., of Counsel

Joseph A. Ruskay, Esq.,

Nicholas Spanos, Esq.,

Attorneys for Iranian Shipping Lines

SOUTHERN DISTRICT COURT REPORTERS

UNITED STATES DISTRICT COURT

100 WALL STREET, NEW YORK, N.Y. 10038

Booth, Lipton & Lipton, Esqs.

Attorneys for Manta Group defendants
Philip Pierce, Esq. and
Joel L. Hecker, Esq., of Counsel

Royall, Koegel & Wells, Esqs.,

Attorneys for The Midland Bank & Trust Co.
Paul Hopkins, Esq., of Counsel

Kirlin, Campbell & Keating, Esqs.,

Attorneys for Aria Shipping Lines
Baldvin Einarson, Esq., of Counsel

Haight, Bardner, Poor & Havens, Esqs.

Attorneys for Jan C. Uitewyk, et al.,
William J. Honan Esq., of Counsel

Richard Gyory, Esq. and

Robert Kreis, Esq.,

Pro Se

- - - - -

(Case called.)

MR. RUSKAY: If your Honor please, my name is
Joseph Ruskay. I am attorney, with Mr. Spanos, for Iranian
Shipping Lines. This is a new action.

THE COURT: All right, Mr. Ruskay. Before you
commence your presentation, I would like it if you would
tell us, for the record, unless you wish to have someone
else do it, what is the present posture of the matter which is
before Judge Coleman.

I understand Judge Coleman has been appointed as

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1 special master in connection with some of the litigation by
2 Judge Gurfein.

3 MR. RUSKAY: That is correct.

4 The present posture, in a general way, is that
5 Judge Coleman is supervising the taking of depositions, which
6 is still under way, and being taken.

7 THE COURT: In which actions?

8 MR. RUSKAY: In the Alosio consolidated actions.

9 MR. COOK: May I be heard on that, your Honor?
10 I am here today representing the intervening plaintiffs.

11 The depositions that your Honor just inquired
12 about are being taken pursuant to notices and later stipula-
13 tion and order signed by our clients and the attorneys for
14 the Nanta defendants and the attorneys for the Midland
15 Bank.

16 The particular actions in which those depositions
17 are being taken are the intervening action brought by the
18 Atlantic Bank and four other so-called first intervening
19 plaintiffs, and also Bay Ridge Operating Company as second
20 intervening plaintiff.

21 THE COURT: However, all the parties of the 1967
22 case are parties to the record before Judge Coleman?

23 MR. COOK: That is correct, though the plaintiff
24 Alosio has not actively participated at all. And also the
25

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reason I intervened was it isn't quite correct to describe the Alosio action as being consolidated with the actions to which I just referred.

There is a consolidation order in effect, but it consolidates only the first and second intervening plaintiffs' claims against the Manta defendants and Midland Bank, among other defendants, and an in rem action filed in this court in 1966 against one of the Iranian ships.

THE COURT: Has Judge Coleman a target date for the completion of this work?

MR. COOK: Not quite, your Honor. I think what happened is this. We were finished with two out of the three witnesses. The reason why those particular depositions were singled out and referred to Judge Coleman was because there was acrimonious dispute as to the conduct of the depositions of these three witnesses.

THE COURT: I understand also because of the complexity of the subject matter. I believe Judge Gurfein made a determination in respect to that.

MR. COOK: I think if it weren't for the fact that counsel couldn't agree among themselves what questions were proper and what were not, I don't think the matter would have been referred to Judge Coleman.

However, to answer your Honor's question, there is

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only one unfinished deposition before Judge Coleman that is pending, and that was supposed to have been completed on May 26th, last week. However, in view of the pendency of the motions before you, certain defendants asked Judge Coleman to put off those depositions.

We objected putting that completion of the deposition off, but Judge Coleman agreed to postpone the completion of that deposition more or less without date, and I presume what he intended was that your Honor should rule on whatever it is that I think is involved, primarily, Midland Bank's motion to vacate certain appearances, and when that is done I would expect Judge Coleman would direct that the deposition be completed, and I think it can be completed within two business days at the most.

THE COURT: Very well.

Is there anyone who disagreed with the statement made as to the status of the matters before Judge Coleman?

MR. PIERCE: May I be heard?

THE COURT: If you disagree on that topic, yes.

MR. PIERCE: I am with the law firm of Both, Lipton & Lipton, representing the so-called Manta defendants in the various actions.

I think perhaps it is not so much a disagreement

as a further clarification.

As the action stood when these arrangements that I am about to refer to were made, a request had been made by other parties yet to be examined in the intervening actions that Judge Coleman consider continuing, and that had been under discussion.

There is other discovery yet to be concluded in the intervening actions. The completion of the stipulated discovery before Judge Coleman does not represent the completion of the pending discovery in those actions by far.

THE COURT: What numbers are you referring to when you talk about intervening actions? Give me the docket number.

MR. PIERCE: The index number is 67 Civil 9, which are what I refer to as the original actions, as it were.

THE COURT: In those you say that -- they all started as separate actions, did they not?

MR. PIERCE: In the case of Alosio against Iranian Shipping Lines and others it started independently and was the first one to be started. Thereafter, the intervening actions came along.

THE COURT: Has a schedule been set for the completion of this discovery?

1 MR. PIERCE. Only tentatively, to the effect that
2
3 as soon as the pending discovery is completed we were as
4 promptly as possible, at least so far as I understood it, to
5 schedule continuing examinations.

6 They had been held in abeyance to allow for the
7 completion of what is before Judge Coleman.

8 THE COURT: All right. So there will be no mis-
9 understanding, in view of the fact all of you are here, as
10 to this 1967 litigation this is assigned for all purposes
11 under a computer printout as the beginning of an individual
12 assignment calendar in this court, and basically with the
13 theory these cases are very old and they ought to be completed
14 and that they require the particular attention of the judge
15 to whom assigned so that they get completed.

16 I must tell you that some of my colleagues have
17 finished their 1967 cases, and it is a matter of concern to
18 this court that a litigation of this ancient vintage should
19 still have an incompleting discovery. So I hope all of you
20 experienced counsellors will guide yourselves accordingly on
21 that score. This case has to be tried or disposed of.

22 MR. COOK: May I suggest, your Honor, that the
23 docket numbers are a bit misleading.

24 THE COURT: Never mind. Whether it is misleading
25 or not, that is the number.

MR. COOK. The intervening actions, which are the only active litigation, were filed in September of 1968.

THE COURT: They are still old.

All right, gentlemen, I will take the argument on the motions at this time.

MR. PIERCE: I am sorry to interrupt again, but I would not want to leave a misconception hanging in mid air, which seems to be the case.

The motions which follow the first one, and this motion which your Honor has called first, is in the so called new ISL action, and have to do with attempts to expand and add to the old action which we have been talking about here earlier.

THE COURT: I gave the clerk no particular direction as to which motion to call. I will hear them in their order of age, if that is the preference of the attorneys.

MR. PIERCE: It would seem to me logical, your Honor, that motions dealing with the attempts to intervene or cross claim in the older case probably deserve the prior attention of the attorneys here.

THE COURT: Are there motions submitted on both sides?

MR. PIERCE: I think so.

MR. GYORY: Yes. We are moving in the motion for

1 security for costs in two different matters.

2 THE COURT: Which numbers?

3 MR. GYORY: The one that I arose with respect to
4 was Letts against Icarian, 72 Civil 1468.

5 THE COURT: What is the other one?

6 MR. GYORY: The other one is Iranian against
7 Moraites, 72 Civil 1392.

8 THE COURT: You are the movant in each case?

9 MR. GYORY: In each case, yes.

10 THE COURT: You wish to submit, is that correct?

11 MR. GYORY: On the Letts case we do wish to
12 submit, your Honor.

13 THE COURT: Which number is that?

14 MR. GYORY: 72 Civil 1468. I do have an additional
15 paper that I have served by reply affidavit.

16 THE COURT: Is there opposition in 72 Civil 1468
17 to the motion?

18 MR. KAPLAN: I am with Kaplan, Kilsheimer & Foley.
19 We are local counsel for Walter Johnson Letts in this action
20 This is the only action that we are involved in. The firm
21 of Fitzsimmons & Hawthorne in Oakland, California, is also
22 counsel. We are the local counsel for this plaintiff.

23 I must tell your Honor that I have been informed
24 by the California counsel that Mr. Letts has died, that his
25

wife has been appointed executrix, and that she desires to proceed with the litigation.

We have not moved yet to substitute the estate as party plaintiff. We are willing to go ahead with the motion at this time or to stay this litigation until the estate is substituted, whatever your Honor desires.

THE COURT: Mr. Gyory, what do you say about the substitution of the administratrix.

MR. GYORY: I presume it will have to be taken care of before anything can be done.

THE COURT: Do you want to consent to it on the record right now?

MR. GYORY: I will consent to the substitution, yes.

THE COURT: What is the name of your present client, Mr. Kaplan?

MR. KAPLAN: Walter Johnson Letts.

THE COURT: He is the gentleman who died?

MR. KAPLAN: Yes.

THE COURT: What is the name and capacity of the fiduciary?

MR. KAPLAN: It is his wife. I am not certain of her first name, but she is executrix.

THE COURT: Submit an order on consent. Serve it

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on your adversaries in that case, which will let her be substituted, and the order should recite her name and residence and the court by which she was appointed, and the capacity in which she serves.

MR. KAPLAN: Yes, your Honor.

THE COURT: I will permit her to appear, there being no opposition, as of today.

MR. KAPLAN: Thank you.

MR. GYORY: There is one thing in connection with her appearance. We will want a deposition, or interrogatories in the alternative. In view of the death, I am not quite sure which. I think that I will be able to work that out with counsel.

THE COURT: That should be adjusted between counsel.

MR. KAPLAN: Today before your Honor in the Letts action is a motion for security for costs. This has not been assigned to your Honor; it was made in motion part and referred to your Honor.

THE COURT: That gives me the motion.

MR. KAPLAN: There are going to be other motions. I have been served with another motion returnable June 15th, your Honor.

THE COURT: Sufficient unto the day itself.

Are you submitting in opposition or do you wish to furnish the costs, or what do you wish to do?

MR. KAPLAN: We think this is simply a suit by a resident of one state against residents of other states. I don't know anything about these other actions that we have been sort of put in the middle of, and the movant continues to say that this involves foreign parties, and we don't know anything about that. We know it is a suit by --

THE COURT: Are you prepared to submit in connection with this motion?

MR. KAPLAN: Yes.

THE COURT: All right. I will take your submission. Anybody else?

MR. RUSKAY: If your Honor is still directing your attention to the motions for security, there is a motion for security in the new case Iranian Shipping Lines against --

THE COURT: That is 1392?

MR. RUSKAY: Correct.

THE COURT: I understand Mr. Gyory doesn't want to submit on that; he wants to be heard. Is that correct?

MR. GYORY: That is correct.

THE COURT: All right. I will then hear the movant on the first motion in the 1967 case.

MR. RUSKAY: You will have to forgive me --

THE COURT: I believe that is you, Mr. Ruskay.

MR. RUSKAY: We have so many motions pending which came up today that it is a little hard to keep track of them.

The motion in the 1967 case by myself and Mr. Spanos as co-attorneys is to -- we served a cross claim on behalf of ISL (ISL being an abbreviation for Iranian Shipping Lines) without seeking any levy of costs, and we believe that is proper under the rule 13(g). We have cited the authority for that.

We do seek your Honor's leave and permission to serve that cost of claim on additional parties as set out in our notice of motion.

Finally, alternatively, we seek leave to permit Mr. Spanos individually to intervene as an additional cross claimant along with Iranian Shipping Lines.

I am going to be brief, your Honor, because your Honor is confronted with a mass of papers which undoubtedly you will read, and I am not going to repeat arguments that are set forth in my papers, but I do want to emphasize one or two aspects, if your Honor will indulge me.

No. 1, the attack on Mr. Spanos' authority to represent ISL in this 1967 action, it seems to me --

THE COURT: That is a separate motion, isn't it?

1 MR. RUSKAY: No.

2
3 THE COURT: Isn't there a motion to dismiss the
4 notice of appearance?

5 MR. RUSKAY: Yes.

6 THE COURT: Doesn't the Midland Bank have such a
7 motion?

8 MR. RUSKAY: Yes.

9 THE COURT: Shouldn't I come to that when the next
10 motion is heard?

11 MR. RUSKAY: Your Honor is correct.

12 THE COURT: I don't mean to cut you short, but I
13 am trying to take these in an orderly fashion.

14 MR. RUSKAY: You are quite correct, your Honor.

15 Then I will just say that as far as our moving
16 papers are concerned asking for leave to join additional
17 parties under the rules named, 13(g), 14, 19, etc., and
18 intervening, I see nothing in the opposing papers, I recall
19 nothing, which for one moment suggests that this is not a
20 proper action for a cross claim.

21 In other words, the indicia are whether the
22 issues involved in the cross claim involve the same issues,
23 the same parties, the same factual claims, and I don't recall
24 any attempt on the part of the other side to dispute the
25 propriety of the motion on that ground.

2 Their only objections are technical -- that we
3 don't have any right to represent ISL, or something like
4 that.

5 In effect, it seems to me our motion for leave to
6 join additional parties -- I'm sorry, to join Mr. Spanos --
7 to the cross claim, which is an amendment which we had a
8 right to do -- we amended the cross claim by adding certain
9 parties before answer -- we moved and asked your Honor to
10 permit us to add and serve certain additional parties to the
11 cross claim who were involved in this whole ball of wax, and
12 I see no real grounds stated in any of the opposing papers
13 for not granting this motion.

14 THE COURT: Who wishes to oppose?

15 MR. RUSKAY: May I just ask Mr. Spanos if there is
16 something I neglected to tell your Honor about that he thinks
17 I should?

18 (Pause.)

19 MR. RUSKAY: In a way, this is involved in another
20 motion, but in a way it is involved right here, and I think
21 Mr. Spanos is right in suggesting that I tell your Honor that
22 if in your Honor's discretion you feel that allowing this
23 cross claim being prosecuted would delay the '67 action,
24 which as your Honor hears there is still a good deal of
25 discovery and examination on, we had discovery in ours but

2 we feel the issues will require some additional discovery
3 involved in the cross claim. But, as we said in our moving
4 papers, the issues are basically very, very similar, the
5 parties are very, very similar. In both actions the creditors
6 claim the defendants have despoiled ISL and should be
7 responsible for the payment of their debts.

8 Mr. Spanos as a stockholder of ISL, and ISL itself
9 represented by Mr. Spanos and myself, claim that these same
10 defendants and other parties associated with them have
11 despoiled and misappropriated the assets of ISL, so that after
12 the creditors are paid they should be responsible to the
13 stockholders.

14 Now, if in your Honor's discretion you feel that
15 allowing the cross claim will complicate the '67 action too much,
16 then we are willing in the interest of the proper adminis-
17 tration of justice, as your Honor sees it, to abide by our
18 separate action which is, in essence, a new action which is
19 basically the same as the cross claim.

20 THE COURT: Which action, if you will? Give me
21 the number, because I don't have it before me and I don't
22 want to have confusion as to which action you are talking
23 about.

24 MR. RUSKAY: I am speaking of 72 Civil 1392, which
25 was filed within the last month. In other words --

2 THE COURT: You know the delay which is inflicted
3 by protracted discovery rests initially with the plaintiff
4 in the matter, doesn't it, because the plaintiff can
5 schedule his discovery promptly, so that if your application
6 is granted you may be expected to show particular diligence
7 in completing your discovery.

8 MR. RUSKAY: I think before this session before
9 your Honor is over I suspect strongly that you will hear from
10 either Mr. Cook or Mr. Spanos as to some of the reasons why
11 discovery has been prolonged to this extent.

12 THE COURT: I am relying on Judge Coleman generally
13 in this area.

14 MR. RUSKAY: At any rate, I want to point out and
15 emphasize that while there is this vast and overwhelming
16 similarity of parties and facts the cross claimant, who is
17 the plaintiff in the new 1392 action, just filed last month,
18 has discovery of its own which wouldn't be comprehended
19 within the discovery contemplated by Mr. Cook's clients and
20 Mr. Cook himself or even for that matter by the discovery
21 contemplated by the defendants in that case which is still
22 incomplete.

23 We will have discovery, we will be diligent. If
24 there is one thing that anybody who has looked at the vast
25 record here knows, the pressure has all been by Mr. Spanos

and Mr. Cook to get these cases moving.

THE COURT: I think I understand your position. Who wishes to be heard in opposition to that motion?

MR. PIERCE: I do, your Honor.

THE COURT: All right, Mr. Pierce.

MR. PIERCE: As indicated earlier, I appear in behalf of the Nanta defendants, who are Chicago residents your Honor.

I think in order to understand the reasons for opposition to what on its face may seem to be a perfunctory kind of procedural motion it is important to explain a limited amount of background, and I would like to do so.

It is obvious the action has been pending actively since 1968 in the main part. There has been considerable discovery and dispute over discovery. There have been Rule 37 motions and penalties levied.

The action as being litigated up to the point of the attempted cross complaint had to do with the Alosio action in limited part because that was not too active, which is essentially in its beginnings a suit upon, what purported to be a suit upon certain notes, and the actions brought by the intervening creditors represented by Mr. Cook, which was an action attempting to enforce several

2 hundred thousand dollars worth of judgments previously
3 obtained against the defunct Iranian Shipping Lines in the
4 Supreme Court in New York to penetrate the corporate veil
5 and fasten liability upon certain of the individual and other
6 defendants who had had an interest in Iranian Shipping Lines
7 as stockholders, directors, or as their interests may
8 appear.

9 The discovery along those lines, as I say, has
10 been very intense. The defendants whom I represent at
11 least, even though the rules might theoretically give us
12 leeway to have conducted simultaneous discovery, have in
13 effect and practically been recluded from conducting
14 depositions because of the pendency of the existing matters,
15 and defense has been structured and built around the plead-
16 ings as they currently exist.

17 It wasn't until the discovery before Judge Coleman
18 was about to close that the cross claimers attempted --
19 this is in the year 1972, after the action had been pending
20 practically since four or five years, many of the issues
21 formed and postures and discovery based upon the pleadings
22 as they existed, and although the underlying facts of the
23 cross claim are stated to be similar and conspiracies are
24 charged of people all around the world, shipping companies
25 and foreign dignitaries, the fact is that the new cross

claim is plead under the antitrust laws, or purports to be plead under those laws, does present new issues and difficulties, and opens a new round of discovery.

But even more than that, it tends to complicate an already overly complicated case, at least in my judgment, your Honor.

When the cross complaint was served it was brought in the name of Iranian Shipping Lines, and for the very first time the question was raised, what authority has the person who was sued in the name of Iranian Shipping Lines to act in that name?

I represent that none of the managing directors, some of the people with interests one way or the other in the company, they never authorized the action, they know of no corporate record since the company has been defunct, since 1966, that has authorized this action. Who exactly is bringing this action?

THE COURT: That is a different motion, isn't it?

MR. PIERCE: It is, yet it is part of our opposition to what is being sought here, because if the cross complaint in the name of ISL is not properly brought and authorized, all the efforts to patch it up have no meaning and are moot.

2 THE COURT. You share the view apparently indi-
3 cated by Mr. Ruskay. Assuming this motion is not granted,
4 he can litigate the same problems in 72 Civil 1392.

5 MR. PIERCE: Absolutely, because the first two
6 counts of the cross claim are repeated almost verbatim in
7 the new actions.

8 THE COURT: That gives you multiplicity of
9 litigation, doesn't it?

10 MR. PIERCE: My own impression was that the new
11 action under the 72 civil number was filed in recognition and
12 in tacit recognition of the defects of the attempted cross
13 complaint.

14 THE COURT: Our profession never tacitly recognizes
15 anything.

16 MR. PIERCE: I go beyond that to say this. Even
17 though the cross complaint was served upon us, it was served
18 upon my clients by being dropped in the mail addressed to me
19 as attorney for my clients, among other defendants in the
20 case here.

21 Now, at this stage of the proceeding, as best as
22 I can determine the cases -- and I think the section is not
23 as clear as Mr. Ruskay makes it out to be -- at the very
24 least something is required before the litigation is
25 permitted.

2 THE COURT: You did not send it back, though,
3 did you?

4 MR. PIERCE: I moved to dismiss it, instead of
5 sending it back.

6 THE COURT: This motion?

7 MR. PIERCE: Yes. By separate motion.

8 I don't believe by not sending it back physically
9 I waived any of my client's rights. I certainly did not
10 intend to do so.

* * *

3 The motion specifically says at this point, permit
24 us to amend the cross claim -- whose very existence we
25 challenge by adding Mr. Spanos as a party thereto, or

2 by permitting him to intervene.

3 We object to that procedure, your Honor, for the
4 reasons stated before, and because before a party can cross
5 claim he has to be a party, which leads me to another
6 criticism or problem in the way this was presented, and I
7 think deserves the Court's attention.

8 It has been indicated by Mr. Cook that there are
9 two groups of existing actions, not considering the new
10 ones. One of those is the consolidated actions of the
11 intervening plaintiffs, and the other the initial or prior
12 action.

13 In the actions which are active in which Mr. Spanos
14 has been permitted to conduct discovery as attorney pro hac
15 vice, and so forth, I have learned the defendant though
16 named in these actions has never served or filed an
17 appearance or an answer, so that from any technical point of
18 view I can understand it is not even a party to the actions
19 in which a cross complaint has been filed.

20 As I understand the applicable sections of the
21 Code, it is a party only to a cross complaint and not a
22 stranger.

23 The answer again might very well be that this is
24 a very technical argument, Mr. Pierce, and he can move to
25 intervene or start a separate action, or whatever the case

2 may be, Were that to be the case, to put himself in a
3 position of a party to an action, my client would have
4 certain remedies to pursue, including an attack upon Mr.
5 Spanos' authority to say "I act for the ISL," coming in
6 belatedly in an action four years of age and with huge
7 discovery behind us, etc.

8 What is happening, therefore, by the instant motion
9 that specifically I am addressing myself to is this.

10 Mr. Spanos will become engrafted into the action as a cross
11 claiming litigant without ever having been a party thereto,
12 and, in essence, in a way which prevents my client, since
13 it is not coming in by way of a separate application for
14 leave to do so, and in a separate action, from exercising
15 all the rights it could if the regular procedures outlined
16 in the statutes had been followed.

17 Those regular procedures, I submit, for the
18 purpose of Mr. Spanos' rights as to whether they are his or
19 ISL's is a separate question and can be protected by Mr.
20 Spanos by starting whatever action he cares to without further
21 inundating this particular pending action with the reams of
22 paper work with which we have been inundated.

23 I have -- based upon the fact Mr. Spanos is
24 standing to act as an attorney for ISL, and to appear in this
25 action has been challenged by another motion -- I asked

2 Judge Coleman to put the existing deposition over because
3 it had been Mr. Spanos who had been conducting most of
4 the deposition after Mr. Cook had finished examining, and
5 it was he who had to conclude primarily, and the question
6 I put to Judge Coleman was, "How can I bring my clients in
7 from Chicago, subject them to further deposition, if Mr.
8 Spanos may very well not be authorized to proceed in this
9 action which is before the court today?"

10 I will not talk at this moment with regard to
11 my separate motion. I have tried to channel this toward
12 the motion as it presently stands.

13 THE COURT: All right.

14 Anyone else on that particular motion?

15 MR. HONAN: May I be heard?

16 THE COURT: Your name?

17 MR. HONAN: William J. Honan. I am associated
18 with the firm of Haight, Gardner, Poor & Havens, and we
19 represent Jan C. Uitewyk Co., Inc., Jan C. Uitewyk personally,
20 and others, in the 72 Civil 1392 action.

21 THE COURT: And not in any of the other
22 litigation?

23 MR. HONAN: I am not quite sure.

24 MR. RUSKAY: He is not. The answer is no.

25 MR. HONAN: Perhaps it can be cleared up.

THE COURT: Mr. Ruskay says you are not.

MR. HOHAN: I think we appear in a cross claim as additional parties.

I would like to call your Honor's attention to the fact if that is true, that we weren't defendants in the Alosio action, therefore we can't be cross claimed against, and if he wants to sue us as third party defendants, fine, but I think he should do it on proper motion to us.

MR. RUSKAY. That is exactly the motion I am making. He has not been served. My motion, if your Honor please -- I am sorry to interrupt, but just to straighten you out, because you seem to want to be straightened out, apparently, I have not served his clients because they were not parties. My motion before your Honor is for permission to join the third party defendants in the cross claim.

THE COURT: All of you gentlemen should be most thankful for the individual calendar system. If you were in Room 506 on a Tuesday morning you wouldn't be permitted to monopolize the part for the whole day.

I don't say that critically, but this is a very involved set of problems here and will take some sorting out.

I would like to hear all of you, and then I will reserve decision, most likely, and go over your papers in

2 detail.

3 MR. HONAN: We haven't submitted any papers.
4 I didn't know anything about this until three days ago.

5 THE COURT: Weren't you served with a notice of
6 motion?

7 MR. HONAN: No, your Honor, I wasn't.

8 Three days ago, yes, we received a notice of
9 motion, but I haven't had any papers in response. I didn't
10 understand the papers, your Honor. I thought he was trying
11 to sue us as one of the other defendants in the 67 action,
12 a cross claim, in other words.

13 MR. RUSKAY: I am.

14 MR. HONAN: We were never a defendant in the
15 Alosio action.

16 THE COURT: You are speaking with respect to all
17 three of your clients?

18 MR. HONAN: Yes.

19 MR. RUSKAY: If I am correct, and I am sure I am,
20 Mr. Honan's clients, Jan C. Uitewyk, the company, and the
21 individual, were not defendants in the 67 consolidated
22 action or in any of the 67 actions. Therefore, I did not
23 serve them with the cross claim, as I did serve defendants
24 who were already parties to the action under Rule 13-G.

25 Under 13-H, and the other rules cited, I am asking

1 for leave of the Court to permit me to serve them.

2 THE COURT: Are you asking that ex parte, or have
3 you given them notice of this application? I am sure that
4 Haight, Gardner didn't send this gentleman down here for no
5 purpose.
6

7 MR. HONAN: He told me that on the telephone, but
8 it was difficult to respond.

9 MR. RUSKAY: To the best of my knowledge, your
10 Honor, I did not serve copies of my motion papers on the
11 proposed added party defendants since they were not repre-
12 sented by attorneys in the action. I would have had to
13 serve them --

14 THE COURT: How do you account for Mr. Honan's
15 presence?

16 MR. HONAN: He did serve our client.

17 MR. RUSKAY: I served his client, your Honor, with
18 the new case.

19 THE COURT: Let's not waste time on it.

20 MR. RUSKAY. I certainly didn't intend to pull a
21 fast one on his client.

22 THE COURT: He doesn't so suggest, Mr. Ruskay.
23 Let's move on.

24 MR. RUSKAY: If your Honor please, I must ask your
25 Honor's indulgence to say something in reply to what Mr.

2 Pierce has said, because I don't want to leave your Honor
3 with the wrong impression.

4 THE COURT: Have we finished with the Haight,
5 Gardner matter?

6 MR. HONAN: No, I think we will be in this action
7 for some time to come, but what I would like to do is ask
8 leave of the Court to file some papers in response to this
9 motion.

10 Perhaps we might have five or ten days.

11 THE COURT: Don't file on anything you are not a
12 party to. That is a very foolish thing.

13 MR. HONAN: I am not sure what he is trying to do
14 in the 67 action.

15 THE COURT: How about the end of business on
16 Monday?

17 MR. HONAN: Fine.

18 THE COURT: It must be responsive. No new matter.
19 You stay here and perhaps you will learn what all this
20 litigation is about.

21 Very briefly, Mr. Ruskay.

22 MR. RUSKAY: First, I want to tell your Honor that
23 in the discovery that has taken place in the 67 litigation
24 up to this point -- and by discovery I refer by way of
25 discovery of documents and deposition that have taken place --

2 thousands of pages of depositions and thousands of documents
3 have been produced in the 67 creditor action, and that
4 discovery is important to our case. In other words, it is
5 relevant to the cross claim, and I don't want you to think
6 that we have to start with our discovery afresh. We are
7 going to use that.

8 THE COURT: I understand your position.

9 MR. RUSKAY: Secondly, Mr. Pierce says that ISL
10 is not a party. ISL was served by Mr. Cook in the consoli-
11 dated actions. Since no relief was sought against Iranian
12 Shipping Lines, but the relief was sought against the
13 Manta defendants, the clients represented by Mr. Pierce,
14 who are alleged to have conspired to despoil ILS, which
15 was bankrupt or defunct --

16 THE COURT: Which? There is a difference. Was
17 it bankrupt?

18 MR. RUSKAY: There was no bankruptcy. I don't
19 know what its financial status was, but no relief was sought
20 against it and we did not answer. We are a party to this
21 consolidated action. We were served, and Mr. Cook assured
22 me that he served us, and I even remember reading a copy of
23 the complaint, so we are a party to the action, if we have
24 to formalize it.

25 In addition to that, ISL has been acting as a

1 party. Mr. Tryforos for five years represented ISL in this
2 action, then Mr. Spanos, and then myself, and then myself and
3 Mr. Spanos. So for five years ISL has been not only a
4 party but carrying at least half the load of the discovery
5 in this case and appearing on the record all over the
6 place.
7

8 THE COURT: I understand your position.

9 The next motion I have listed here is Midland's.
10 Who is appearing on that motion?

11 MR. HOPKINS: I am with the firm of Royall,
12 Koegel & Wells. We represent the Midland Bank. This is our
13 motion to vacate the appearances of both Messrs. Spanos and
14 Ruskay, and to dismiss the cross claim previously served in
15 this action.

16 Your Honor, the reply papers received from ISL and
17 Messrs Spanos and Ruskay have virtually conceded the law
18 on this question. They merely raise two questions, the
19 first of which is that somehow the bank is precluded from
20 raising this motion by the passage of time; and, secondly,
21 Mr. Spanos has put forward before this Court what purports to
22 be a 1964 resolution alleging authorization for their
23 appearance here.

24 THE COURT: Is this an issue of fact?

25 MR. HOPKINS: It may well be, your Honor. The

2 latter point might well be an issue of fact.

3 In that case I think we should possibly have a
4 hearing on that question, because this motion is an
5 important motion at this point.

6 THE COURT: Mr. Spanos is a member of the bar of
7 this court?

8 MR. SPANOS: Yes, your Honor. I have been admitted
9 pro haec vice to appear.

10 THE COURT: Are you a New York lawyer?

11 MR. SPANOS: I am a member of the California bar,
12 your Honor.

13 THE COURT: Isn't there a presumption of authority
14 when an attorney appears?

15 MR. HOPKINS: There certainly is.

16 THE COURT: Except in real property actions, isn't
17 that the rule?

18 MR. HOPKINS: That may well be the rule. I think
19 in my papers, which I previously filed, I have shown that
20 presumption is unquestionably rebutted in this case, your
21 Honor.

22 Let me explain, if I may, the position of the bank.
23 We were at no time made a part of the Iranian Shipping
24 Lines corporate structure. We had not knowledge of where the
25 control of that company was placed. As this action continued,

1
2 however, and as depositions were taken, it became apparent
3 through certain documents produced that the corporate control
4 of ISL was limited in a certain very important respect. No
5 corporate actions could be taken unless on the signature of
6 two so-called managing directors.

7 This, your Honor, is found in the ISL articles of
8 incorporation, otherwise known as the statutes of that
9 company, which I have appended to my motion.

10 The present directors are Mr. Spanos and Mr.
11 Christ Karafotias, who is also a defendant in this litigation.
12

13 I fail to see how Mr. Karafotias can authorize a
14 suit against himself. This being so, it would seem to me
15 that there can be no authority from Iranian Shipping Lines
16 for Mr. Spanos to approve the authorization of any suit.
17 On that basis, I submit that any presumption which may have
18 existed in Mr. Spanos' favor has been rebutted.

19 In response --

20 THE COURT: Was jurisdiction obtained in personum
21 over Iranian Shipping Lines?

22 MR. HOPKINS: I don't know the answer to that
23 question, your Honor.

24 THE COURT: It is important, isn't it?

25 MR. RUSKAY: I state firmly I said yes. I told

your Honor yes from my information from Mr. Cook.

MR. HOPKINS: When this action was commenced, I believe ISL was served. Whether that service was personal or otherwise, I don't know.

MR. COOK: May I clarify the point?

THE COURT: I think so, though, basically, I prefer to hear a speaker out. But I will let you clarify it.

MR. COOK: I was in it from the beginning, and I don't think there can be any dispute. Regardless of who has power to bring suit in the name of ISL, clearly under New York law a director, any director, of a foreign corporation can be served, and that gives valid service.

In addition, as your Honor knows, there is a decision of Judge Frankel of January 9, 1970, on the jurisdictional point, which, among other things, finds that ISL was doing business, so there can be no shadow of a doubt that when Mr. Spanos was served, as he was served by us, and I believe he was served by Alosio, back in '66 and '67 and '68, with various papers, that there is a director of ISL that was personally served. It is not disputed Mr. Spanos is a director and a managing director at this time.

THE COURT. Mr. Hopkins can proceed.

MR. HOPKINS: Let me state for the record I don't

1 think the fact a corporation has been personally served
2 gives authority to a particular person to appear for that
3 corporation, regardless of whether or not he is a director
4 of that corporation.
5

6 THE COURT: It makes any judgment entered in the
7 action binding on the corporation, doesn't it?

8 MR. HOPKINS: It certainly does.

9 THE COURT: And those who came through, from, or
10 under the corporation.

11 MR. HOPKINS: That is a very good point, your
12 Honor. It is interesting to note that ISL is really only a
13 nominal plaintiff and nominal defendant in this action. ISL
14 is being sued by Mr. Cook, and Mr. Cook already has several
15 thousand dollars worth of judgment in the Supreme Court.
16 There can be no further liability to ISL in those claims.
17 Yet here we have Mr. Spanos standing before this Court and
18 saying that he must be authorized by the passage of time, if
19 no other reason, to protect ISL's interests in this action.

20 I would like to make several points about the
21 1964 resolution which Spanos has submitted as his only
22 authority to act in this action. Let me say, first, that,
23 again, the bank is not privy to the corporate records of ISL,
24 but that resolution would seem on the face of it, your
25 Honor, to be highly invalid. It was passed, if, indeed, it

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was passed, in 1964, when Iranian Shipping Lines was a very small operating company.

It appears to be a very standard type of resolution, one that grants general authority to one particular person to take certain actions on behalf of a small company.

Now, when the company grows, as Iranian Shipping Lines did, as the result of a certain settlement agreement in June of 1965, I submit that the resolution passed prior to that date thereby becomes invalid.

Your Honor, furthermore, that resolution in paragraph 1 has a very interesting provision. It provides that a certain Mr. Hask Babayan should have all encompassing authority to do certain managerial acts for the company.

I can't believe that Mr. Spanos would stand before us today and say that that resolution is still in effect with respect to Mr. Hask Babayan.

Thank you, your Honor.

MR. COOK: In due course, I would like to be heard on this motion.

THE COURT: You are opposing the motion?

MR. COOK: Yes, I am.

THE COURT: I think probably Mr. Spanos' counsel should be heard first, since his authority is the one that is impinged upon.

2 MR. RUSKAY: First, I want to emphasize --

3 THE COURT: I might start out by asking you, do you
4 agree the authority of the agent is an issue of fact?
5 I have had a concession from Mr. Hopkins it is a question of
6 fact whether the man is authorized.

7 MR. RUSKAY: I think it is a sort of mixed question
8 of fact and law. There is no question that Mr. Kpanos was
9 a director and a managing director of this corporation when
10 he was served. There is no question of that, and I don't think
11 anybody can make it.

12 THE COURT: The attack is on his authority to
13 manage or conduct a lawsuit. There is no question of juris-
14 diction because Judge Frankel has disposed of the juris-
15 diction question. It is one thing to have jurisdiction, and
16 it is another thing to be able to conduct actively either
17 in the defense or prosecution of a cross complaint or
18 bringing an independent action as plaintiff.

19 Isn't that so?

20 MR. RUSKAY: That leads me possibly -- I don't
21 know whether I am going to be answering the question your
22 Honor put to me whether it is a question of fact by giving
23 the following answer. ISL was named as a defendant in
24 Mr. Alosio's suit, the first suit back in '67, and served.

25 As I understand it, I was not in the case at that

time -- Mr. Spanos is here and will correct me if I am wrong -- are being no one else to represent ISL, ISL in a sense stood naked before the court, and Mr. Spanos arranged to have Nicholas Tryforos, a well-recognized member of the New York bar, appear as counsel for ISL in the Alosio suit.

Mr. Tryforos continued to act for ISL in the Alosio suit, and then these consolidated actions were instituted.

The consolidated actions, as I said before, sought no relief against ISL, but named ISL as a party, and ISL was served, and Mr. Tryforos continued to act as counsel for ILS without -- and, remember, this was five years ago, your Honor, five or more -- without any objection by the attorneys now before this court.

It is true that Royall, Koegel & Wells were not counsel for the bank at the time, Mr. Friedman was their counsel, and they came in recently, but Mr. Friedman, no one, questions Mr. Tryforos as counsel, and he appeared on the record representing ISL.

Then Mr. Tryforos in the summer of 1970, or perhaps early fall, became engulfed with other business matters and asked Mr. Spanos if he could find another lawyer to represent ISL, and Mr. Spanos came to me, and I submitted an application to the court asking permission for me to be

2 substituted in place of Mr. Tryforos, and I was, and asked
3 permission that Mr. Spanos be permitted to act as co-counsel
4 and co-attorney with me pro haec vice, which matter was
5 vigorously opposed by Mr. Pierce of the Booth, Lipton &
6 Lipton firm on behalf of the Manta defendants. Counsel for
7 the bank didn't have opposition.

8 THE COURT: Was it opposed on the ground Mr. Spanos
9 lacked the power?

10 MR. RUSKAY: The answer to your Honor is 'precisely,
11 no.' It was opposed on the ground Mr. Spanos was an
12 interested party, that he would be a witness in the case.

13 At any rate --

14 THE COURT: That is all a closed book, isn't it?

15 MR. RUSKAY: Judge Cannella from the bench heard
16 argument and admitted Mr. Spanos.

17 THE COURT: The only question before me is whether
18 under the organic law of this corporation Mr. Spanos has the
19 capacity either to appear himself or to authorize you or
20 anyone else to appear and initiate litigation?

21 MR. RUSKAY: I say they can't come in five years
22 later and say Mr. Spanos can't represent or act for ISL, and
23 authorize me to act for ISL, and be a party to the liti-
24 gation.

25 THE COURT: Would you address yourself directly to

1 the merits? Forget the five years for the moment. Is it
2 true that he is authorized or is it not true?
3

4 MR. RUSKAY: I will let Mr. Spanos answer that
5 question, if your Honor will permit me.

6 THE COURT: Very briefly. I really prefer to hear
7 counsel, but go ahead.

8 MR. SPANOS: Your Honor, there is attached to my
9 reply affidavit a copy of the minutes of March 28, 1964, in
10 which I am given special authorization to act in legal matters
11 to collect moneys that are due and owing to the company and
12 to sign a loan. That authorization has never been revoked.
13 It was granted at a valid meeting. The minutes are signed by
14 three of the directors, including one of whom is the present
15 ambassador of Iran to Washington, and Mr. Babayan and
16 myself.

17 THE COURT: That is Mr. Karafotias?

18 MR. SPANOS: Sir., he was not a director at the
19 time.

20 THE COURT: All right.

21 MR. SPANOS: That authorization has never been
22 revoked.

23 MR. COOK: May I be heard briefly?

24 THE COURT: Yes.

25 MR. COOK: I did want to respond to one point which

I think is a factual point, but I do consider that it is important, your Honor, to the merits of the motion, and that is the bank's silence in the face of active participation by Mr. Spanos and his co-counsel, and the dates have not been quite correctly brought out.

The Royall, Koegel & Wells firm is new in the litigation. There is no question that maybe Mr. Hopkins felt, it dawned on him, that there was some argument to be made as a result of recent depositions.

THE COURT: ISL is a plaintiff in the 72 case, aren't they?

MR. COOK: Yes, your Honor. That, though, is really a separate issue. I am not concerned with any of the other litigation, I am concerned with the representation of ISL in the actions which my clients are intervening plaintiffs in.

Now, I just want to mention one salient fact, that Mr. Hopkins makes the point that the bank was not aware of what your Honor called the organic law of ISL, that they had nothing to do with it. As a matter of fact, the bank was served as a party in this litigation in the fall of 1968. I think the docket entry would show it. I think it was October of 1968. The Manta defendants were served as parties later. It was about June of 1969.

At the end of 1969 there was a motion made by the Manta defendants to dismiss the action for lack of jurisdiction. At that time the bank, through Mr. Friedman, their former counsel, in this case, had been represented as a party for more than a year.

On that series of motions the statutes of ISL were served upon counsel for the bank. This is now fall of '69. This is two and a half years ago, and all of these matters that Mr. Hopkins seeks to raise today were known to the bank at least as early as fall of '69, the question of authority.

In early 1970, January and February, a series of depositions were conducted with the bank's counsel present, Mr. Friedman. The record throughout shows that Mr. Spanos not only was present but he was of counsel for Iranian Shipping Lines. No objection was made.

Here we are now more than two years later. The significance to my mind, your Honor, is this. When the motion was made before Judge Cannella -- and I think Mr. Ruskay may have inadvertently confused two separate instances -- one was a substitution of Mr. Ruskay for Mr. Tryforos, which occurred months before the motion was made before Judge Cannella and that went through again with no objection by any party.

The second one, the contested one, was where Mr.

Spanos for professional reasons asked for a court order pro
haec vice on the motion of Mr. Ruskay, at which time it
seems to me under any principle of not splitting your
litigation and splitting your remedies if anybody had any
question, and there was plenty of grounds, the same grounds
that are being raised now, all the documents were known to
all parties, including Mr. Hopkins' client, it was incumbent
on them to raise the question as to whether ISL, as a party,
as distinct from Mr. Spanos, as counsel, had any business
being in this litigation and whether he was properly
representing them.

I am claiming, your Honor, these parties are
estopped from reopening something that should have been
presented, or was presented, either or both, before Judge
Cannella more than a year ago, about fourteen or fifteen
months ago, and with all the other background.

As to the question of the resolution itself, the
body of the resolution, Mr. Hopkins has sought to challenge
it. I will let go of the other challenges, that is, whether
your business comes or goes. It seems to me it is a very
clear question of not only corporate law but legislation
generally until something is expressly revoked it stands.

Mr. Hopkins argued that because Babayan was later
named as managing director, as he was in July of 1966,

and because the earlier 1964 resolution gave certain powers to Babayan, ergo, the earlier resolution was rescinded for all purposes.

I think the argument is self-defeating, because Mr. Babayan has no power under the '64 resolution, because, obviously, there is a later resolution to which anybody can point dismissing, and for good reason.

My submission, your Honor, I think on both grounds, is that there is no merit to this motion to vacate.

MR. PIERCE: May I be heard on this particular aspect of the motion, your Honor?

THE COURT: Very briefly. I would recommend that you address yourself to the 1964 resolution.

As I view this situation there may be an issue of fact as to whether the resolution is in effect. But if it is in effect then the appearance is proper. I cannot see the argument that you can create an agency based on estoppel and have that agency continue after the true facts are discovered. It may be that everything he did up until now the corporation is estopped with, but once it comes to the attention of the court, which it really hasn't as yet, from thence forward I don't think you can continue him if he is not authorized. But it looks to me from the 1964 resolution that he is authorized.

1
2 MR. PIERCE: I will address myself narrowly to the
3 '64 resolution and our view of it.

4 The clients I represent have at least as much
5 interest, or had at least as much interest, because the
6 corporation is defunct and has been since 1966, in the affairs
7 of ISL.

* * *

* * *

11 MR. PIERCE: My clients advise me -- and, of course,
12 this should probably be the subject of a hearing, since I
13 can't testify under oath for them -- but I am expressing
14 their position that they never had notice of this meeting
15 which took place in Teheran among three out of five directors
16 and, therefore, at the very beginning they challenged whatever
17 validity it purports to have.

18 THE COURT: The 1964 resolution?

19 MR. PIERCE: Exactly. They never heard of the
20 resolution until it appeared by way of reply in Mr. Spanos'
21 papers a week or so ago, or less.

22 Even beyond that, the circumstances of the document
23 itself I think require inquiry. If it is going to be used
24 as a basis for determining whether or not this litigation can
25 proceed as cast by Mr. Spanos. It is not certified. We

1 don't know whether it is an official record, has ever been
2 changed, adopted or modified, and we think the right of
3 inquiry at least, if this is going to be such a key document,
4 should be available to those interested now in seeing by
5 what right Mr. Spanos speaks in the name of ISL.
6

7 THE COURT: This says it was held at the head
8 office March 28, 1964.

9 Where is the head office?

10 MR. PIERCE: Teheran.

11 THE COURT: Then the document is really governed
12 by the law of Teheran, the law of Iran.

13 MR. PIERCE: I should think so. Beyond that,
14 aside from the fact it is not an official copy that we can
15 determine because I can't read the Iranian part of it, nor
16 that my clients didn't have notice of it when it was
17 purportedly passed, it goes beyond that. Events have occurred
18 which plainly render that paper obsolete, even if it had a
19 valid inception.

20 THE COURT: How do you say plainly? Isn't it an
21 issue of fact?

22 MR. PIERCE: I am arguing.

23 THE COURT: I can't make such a finding without a
24 hearing on evidentiary matter, can I?

25 MR. PIERCE: I agree completely.

THE COURT: You say he is not authorized. Is that your position?

MR. PIERCE: Yes, your Honor.

THE COURT: Who else among the parties says he is not authorized? This is a motion by Mr. Hopkins, and you are joining in it, Mr. Pierce, is that right?

MR. PIERCE: Yes.

THE COURT: Anyone else?

You, Mr. Cook, say he is authorized?

MR. COOK: Yes. We have no question about that.

THE COURT: If the people who are raising this issue in this litigation persist in it, I would say to you my thought is that probably even if he is not authorized probably Iranian is estopped to deny everything that he did up until now, so I think all your proceedings up to now are valid and good. I express that only as a tentative conclusion. But from henceforth, if the issue is persisted in, it requires taking of evidence both as to the law of Iran and evidence as to the circumstances surrounding the execution of this resolution, and whether as a matter of fact and law it is in full force.

MR. COOK: Your Honor I believe has suggested -- perhaps not intending to point in that direction, I think the futility of this kind of collateral attack coming years

2 after, because we could quite easily as creditors get a
3 receiver appointed.

4 THE COURT: I should think you could, but I don't
5 propose to rule on that. It is not before me.

6 MR. COOK: To the extent it is in our power, we
7 would recommend Mr. Spanos be appointed, and Mr. Spanos has
8 every right to appear pro se. I suggest this whole motion
9 is a waste of the Court's time.

10 THE COURT: I can't reach that conclusion.

11 MR. HOPKINS: You spoke about challenge and
12 continuing challenge if it should be necessary to take
13 evidence. We challenge Mr. Spanos' appearance in view of
14 the cross claim he filed.

15 THE COURT: Also, he has an independent action,
16 doesn't he?

17 MR. HOPKINS: Yes. But the particular motion I
18 made was directed at that cross claim filed.

19 THE COURT: I would like to make a practical
20 suggestion to you gentlemen. You have Judge Coleman in this
21 case, and he has conducted some very extensive hearings, and
22 I assume that you are all proceeding well with him and that
23 he has some understanding of this rather complex factual
24 background of this litigation. Would you care to conduct
25 an evidentiary hearing before Judge Coleman as a special

1 master on the subject of the 1964 resolution, and on the
2 subject of whether Mr. Spanos currently enjoys the authority
3 that he claims to have?
4

5 It seems to me it is a relatively simple matter,
6 and it could be readily thrashed out before him as a part of
7 what you are already doing there. I don't like to
8 fractionate this litigation. He has a part of it, and part of
9 it is apparently still in limbo, and now I have all these
10 motions, most of which I don't think are too burdensome,
11 but it seems to me where a hearing is needed you might be
12 well advised to stipulate to go to Judge Coleman and let him
13 take the necessary evidence and report back on this.

14 MR. HOPKINS: I have no objection to that at
15 all.

16 MR. PIERCE: Speaking for the Manta defendants,
17 I think that is a fine idea, your Honor.

18 MR. COOK: Your Honor, I think there are two
19 points. One is the basic assumption that there is an issue
20 and that it is validly raised. I think that is a determina-
21 tion only the Court could make.

22 THE COURT: I think it is reasonably obvious to
23 me, and of course if there is dispute over it I will reserve
24 decision and take it under advisement, but it is reasonably
25 obvious to me a question is raised which is difficult of

determination without reaching issues of fact. The authority of the agent is challenged.

MR. COOK. That is quite conceivable, but I think on the face of the papers as submitted to the Court, I don't see a valid issue of fact raised. If these parties wish to raise issues of fact, and the Court allows them to do so, then we will welcome Judge Coleman presiding. That is not the fact.

THE COURT: I will reserve decision on the whole question, and I will take under advisement whether in view of the expressions you gentlemen have just made that I may on reviewing the entire matter, if I deem it proper, refer it to him to be determined together with the matters which are already pending before him by reason of Judge Gurfein's prior order in these cases, but if I determine that there is no bona fide issue, then, of course, I will deny the motion.

MR. COOK: I would ask your Honor consider the problem from the standpoint of judicial economy.

THE COURT: That's right. That is just what I have in mind.

MR. COOK: Because we would have a lot of witnesses, for example. If these defendants are going to claim now that they never got notice, we want to examine all the defendants before Judge Coleman.

2 THE COURT: That is the 1964 meeting?

3 MR. COOK: Yes. In order to get Iranian legal
4 opinions it will cost money.

5 THE COURT: The burden of proof is on him who
6 questions the authority, isn't it?

7 MR. COOK: I would hope so.

8 THE COURT: I don't think there is any question
9 about that. If the agent gets on the stand and testifies
10 he is duly authorized, and how he got the authority, the
11 burden is for the defendant to go forward.

12 MR. PIERCE: I think the case law is to the
13 opposite.

14 THE COURT: I must differ with you. You can prove it
15 by the sworn testimony of the agent. Not by the extra-
16 judicial admissions of the agent.

17 MR. PIERCE: At the moment we are dealing with
18 extrajudicial admissions, which is why the hearing is called
19 for.

20 THE COURT: I assume Mr. Spanos will appear before
21 Judge Coleman and tell you all about the 1964 meeting. I
22 hope it is not an extravagant assumption.

23 MR. RUSKAY: May I be heard?

24 THE COURT: I think I have covered the matter,
25 unless there is something particular.

1 MR. RUSKAY: Yes, there is something particular.

2
3 THE COURT: All right. We do have a lot of
4 business here, Mr. Ruskay.

5 MR. RUSKAY: Yes, I know, and I really do
6 apologize.

7 THE COURT: Go ahead. What is it you have in
8 mind?

9 MR. RUSKAY: I don't want to neglect anything that
10 is important to my clients. I want to underscore what Mr.
11 Cook said, that I hope your Honor will take this matter
12 under advisement and consider his argument and my argument
13 that after five years if there has been no challenge to
14 date then that Mr. Spanos had the proper authority to have
15 me and him file this cross claim and to file a separate
16 action.

17 THE COURT: I think I have expressed myself on
18 that.

19 MR. RUSKAY: Your Honor is going to reserve decision
20 on that?

21 THE COURT: Yes.

22 MR. RUSKAY: Now, Mr. Spanos has whispered to me
23 that we agree it be referred to Judge Coleman, if your Honor
24 is going to refer it to Judge Coleman for a fact finding.

25 THE COURT: If I conclude it is essential. I

1 would not grant the motion without a hearing on the
2 evidentiary proof. I might deny it, depending on having
3 due deliberation over all of the papers and all of the issues
4 involved. That I haven't decided, and I am not prepared to
5 make such a determination off the bench.
6

7 MR. SPANOS: I would like to add one statement of
8 fact, your Honor. The statement has been made to the Court
9 the Manta defendants were unaware of this resolution until
10 they saw it attached to my affidavit. That statement, to my
11 knowledge, is not true, because they had copies of this
12 resolution from 1964 on.

13 THE COURT: You see, I wouldn't be concerned about
14 that because I take the view that on all proceedings which
15 took place until this matter was brought to the attention of
16 the court that the corporation, Iranian Shipping Lines, and
17 those claiming from, through and under it, including your
18 co-managing director, is probably estopped to deny anything
19 that has taken place up to now, but from hence forward if
20 there is any merit to this claim, and I don't say that there
21 is, of course, then we have a different question.

22 Let's go on to something else.

23 MR. PIERCE: May I say this. These questions that
24 have been discussed until now obviously are paramount, I
25 think, before getting on to other issues. The motions do

2 raise other issues I am not going to attempt to argue now,
3 but I think it appropriate to call the Court's attention to
4 ~~them.~~

5 If in fact the cross claim was served with
6 authority and had a right to be served, et cetera, the
7 objection is raised that in any event it is without merit and
8 should be dismissed on other grounds, for failing to state
9 grounds under the Clayton Act, etc.

10 In addition, we have the problem of the new action
11 which bears the 72 file number which we feel are subject to
12 the very same infirmities and possibly a few others. It has
13 only been served in the last eighteen or twenty days, further
14 complicating motions separately addressed to that. I would
15 not want to repeat or burden the court with many more papers
16 which are almost identical.

17 THE COURT: Certainly judicial economy requires
18 those issues all be taken care of together, doesn't it?

19 MR. PIERCE: I wonder whether we couldn't arrive at
20 some sort of stipulation that we can without waiving rights
21 withhold making a similar motion addressed at least to those
22 issues in the new action which are the authority of Mr. Spanos
23 to act for ISL and its viability as a complainant.

24 THE COURT: Gentlemen, I will take a ten-minute
25 recess at this time. Why not confer with your brothers at the

bar and see if you can stipulate any such matter of that kind.

MR. PIERCE: Thank you, your Honor.

(Recess.)

MR. RUSKAY: Mr. Cook wants to be heard, and then I would like to be heard.

MR. COOK: I have a brief statement on procedural matter. It occurred to me, I should have mentioned it right off, certainly we have the highest respect for Judge Coleman's ability and impartiality, and we would not object to anything being referred to him, but our clients are not in a position to defray any part of the cost. We are not making the motion. We have been faced with tremendous expenditures.

THE COURT: I don't recall what the cost arrangements were that were made in connection with Judge Gurfein.

MR. COOK: Those were voluntary. The defendants agreed to pay half; we agreed to pay half; and the bank would pay nothing.

THE COURT: This should be less expensive.

MR. COOK: The bank is making the motion, and they have all kinds of money.

MR. HOPKINS: May I be heard?

THE COURT: No. I will take judicial notice the bank has money.

1
2 MR. RUSKAY: May I be heard, your Honor? I want to
3 say --

4 THE COURT: We do have other matters to cover here.
5 I don't like to rush you --

6 MR. RUSKAY: I just want to say that Mr. Spanos and
7 ISL has no money to pay for this hearing, and, therefore,
8 I was going to suggest that since we have an authorization,
9 Mr. Spanos is here ready to take the stand, if your Honor
10 scheduled a hearing -- now, this may be a shock to your
11 Honor for me to say so -- at a certain date, giving the bank
12 time to bring whatever documents or witnesses they may have,
13 the hearing would be over in an hour and your Honor could
14 hear and decide the factual question.

15 THE COURT: I have been here much more than an
16 hour this afternoon, and I haven't even disposed of all these
17 motions yet.

18 Decision is reserved on that matter, and I would
19 like to complete the rest of the matters which are open.

20 MR. PIERCE: May I correct the statement that
21 appears in my affidavit which Mr. Spanos was kind enough to
22 call to my attention. In my affidavit in reply to the papers
23 in opposition, I make the statement that the plaintiffs in
24 the Chicago action, which your Honor will undoubtedly hear
25 much about, are the liquidated trustess for a company known

as Carrion when in fact they are liquidating trustees for a company known as Mispan. I wanted to make the record clear now. It is simply an error on my part.

THE COURT: The significance of the error is lost on me at this point, but we will come back to it.

What else is there which has to be done at this time?

MR. COOK: I think we have reached agreement on the point that Mr. Pierce raised.

THE COURT: All right. Will you state the agreement for the record?

MR. PIERCE: It boils down simply, your Honor, that with respect to the new action bearing the 72 file number for this Court --

THE COURT: Which number?

MR. PIERCE: 1392.

THE COURT: All right.

MR. PIERCE: The time of the defendants, those who have been served -- and I am not sure precisely when they were -- will be extended sufficiently to allow for a disposition of this motion so that repetition and duplication will not be necessary. There are certain areas of likely repetition. For example, with respect to the authority of Mr. Spanos to act for ISL, even in an independent action,

SOUTHERN DISTRICT COURT REPORTERS

UNITED STATES COURT HOUSE

FOLEY SQUARE, N.Y., N.Y. 10007 TELEPHONE: CORTLAND 7-4580

et cetera.

I would rather not be forced to go into repetition because of time problems, and they have agreed to extend our time.

MR. RUSKAY: I told Mr. Pierce that we would be glad to give him any extension of time to answer that he needed, and that I am stating for the record.

THE COURT: To keep your record clear, submit the usual stipulation with a date certain in it, and then if by that date the matters aren't resolved submit a further one.

MR. RUSKAY: However, I do want to make this clear, that should your Honor in your discretion, after reading all the papers, rule that there is an issue of fact which your Honor decides is not within the estoppel or waiver, or whatever you want to call it, and there should be a reference to Judge Coleman, I assume that your Honor is not referring to Judge Coleman any issues as to the ability of ISL to institute the new action, 72 Civil 1392, or Mr. Spanos to sue derivatively on behalf of ISL as a stockholder of ISL, which he has done in 1392 by an amendmtn to that.

THE COURT: To the extent that any evidentiary matters are developed, and to the extent those matters are relevant, they are going to be relevant in all litigation in which the same people are parties, aren't they? Whether you

will it or not, that is going to be the practical result.

I will have to review the papers, gentlemen. I can't make any premature determination at this time on that score.

MR. RUSKAY: Mr. Spanos mentions to me there is a demand for a jury trial that has been sought and asked for in the new action.

THE COURT: How is this relevant? Any plaintiff can demand a jury trial if it is an action triable by jury.

MR. RUSKAY: The defendants say in their opposing papers -- Mr. Pierce says in his affidavit that he believes Mr. Spanos is not an equitable owner of stock of ISL, is not an owner of stock of ISL. Mr. Spanos swears he is, and he thinks that he is entitled to a jury trial to determine that issue.

THE COURT: I don't know that that is presently before me. Is it?

MR. RUSKAY: If it is not, I certainly would hope that that is not an issue that is going to go before Judge Coleman.

THE COURT: No, of course not. Any issue triable by a jury can't be heard before a special master.

What else is there? We have been here some time, and I don't begrudge you the time as long as we are proceeding onward.

1 What is the next item?

2 MR. GYORY: The motion for security of costs is
3 before you in the 72 Civil 1392 action. That is the action
4 that was started two months ago.
5

6 I might say all the question of authority is
7 certainly new to us. We were not parties beforehand.

8 We do submit a reply affidavit. I served it upon
9 Mr. Ruskay. He has asked for some time. I certainly am
10 agreeable to that.

11 THE COURT: How long?

12 MR. RUSKAY: At least a week. I just haven't read
13 it yet. Counsel handed it to me in court. I am going to
14 go out of town early tomorrow morning and will not be
15 back, and I would like at least a week.

16 THE COURT: All right. Answer it by the close of
17 business next Thursday, if you will. That is a week.

18 MR. GYORY: We asked for security of costs here,
19 your Honor, and we raised a couple of points in requesting
20 it. Not only is this a foreign corporation involving foreign
21 business, but, in addition, we now find, or we have found,
22 that named as an attorney -- there are two attorneys named,
23 Joseph A. Ruskay and Nick C. Spanos, and they give the address
24 of Mr. Ruskay. We have sought Mr. Spanos as a witness in this
25 case, and in the Letts case, and we have tried to serve him

by subpoena. We sent a process server to Mr. Ruskay's office, where the process server was told, "We have nothing to do with him; he is not here, and don't trouble us about it?"

THE COURT: He is a managing director, isn't he, of this company?

MR. GEORY: Mr. Ruskay over the phone said, "You will find him at 1501 Broadway, care of Arista Theatres, and we sent a process server there, and the people there said, 'We have nothing to do with him.'"

We have those affidavits submitted here. Mr. Ruskay names himself as an attorney, but he is, obviously, not at the address he names, he is not an attorney admitted to practice before this bar, and there was much litigation over Mr. Spanos' status as an attorney, because I was one of the people who represented him in a portion of that litigation several years back. He now claims that he is a resident director in Brooklyn. He is not in the telephone book at the resident director address.

If he will consent to appear, we will be delighted to have him appear as a witness, because we want to take his testimony, but we seriously question (a) his using his name as an attorney, practicing as an attorney, and this is our first opportunity to address ourselves to that; and (b) he is

1 not a party here, and I do not see how he can appear pro
2 haec vice in the case.
3

4 Certainly, with this very shallow questionable
5 attempt to be both an attorney who does not live in New
6 York, and now says he lives in New York and practices as an
7 attorney, we think security is certainly called for because we
8 question the responsibility with which this whole litigation
9 is being prosecuted.

10 MR. SPANOS: Your Honor, this is the first I hear
11 of these facts. If they want me to appeal, all they have to do
12 is tell me when.

13 THE COURT: Your attorney has a week to answer,
14 Mr. Spanos. Mr. Ruskay has already been granted a week for a
15 reply affidavit.

16 MR. SPANOS: I am available to be served. I will
17 take the papers right now. They know where to reach me.

18 MR. RUSKAY: That certainly disposes of that.

19 THE COURT: That does. Let's go on, gentlemen.

20 MR. RUSKAY: I take it we are now talking about
21 the motion for security for costs in the new action.

22 THE COURT: You have a week for answering papers
23 on that.

24 MR. RUSKAY: I understand that, but I wanted to say
25 something to your Honor about that.

1 MD
2 THE COURT: If you are prepared to argue it, I don't
3 think you need the week.

4 MR. RUSKAY: I haven't read the affidavit.

5 THE COURT: I think you best take your opportunity
6 to answer it.

7 Which is the next motion?

8 MR. PIERCE: The next motion, I usspose, is the
9 separate one made in behalf of my clients to dismiss. In
10 terms of argument, much of which can be said has already been
11 said, and I think it would be repetitive.

12 THE COURT: I will take your submission on that.

13 MR. RUSKAY: I have to apologize for having
14 difficulty keeping tack of the motions, but there is a notice of
15 motion by myself and Mr. Spanos for ISL as cross claimant
16 granting leave to add a party as cross claimant and to amend
17 the cross claim and your Honor has heard the pros and cons
18 of that, and we want to submit that.

19 THE COURT: All right.

20 MR. RUSKAY: All these papers have been filed in
21 court long ago, and I believe they were sent to your Honor's
22 office.

23 THE COURT: Yes.

24 All right, is there anyone else who wants to be
25 heard further at this time?

2 If not, I will take all of the applications as
3 fully submitted, and decision is reserved.

4 MR. RUSKAY: If your Honor please, Mr. Spanos calls
5 my attnetion to the fact that we have been served with a
6 notice of certain depositions, and I think they ought to be
7 suspended pending the determination of these motions.

8 THE COURT: I am sure you can discuss that with
9 your adversary.

10 There has been a suggestion he couldn't be served
11 at the address they thought he was, Arista Theatres.

12 MR. RUSKAY: He has offered to accept service.

13 THE COURT: If you request an adjournment discuss
14 the return date.

15 MR. GYORY: We will be willing to.

16 THE COURT: If you are unable to agree, you are
17 entitled under the rule to seek a protective order.

18 MR. RUSKAY: Thank you, your Honor, for your
19 patience.

20 THE COURT: I hope you gentlemen, while you are all
21 here together, will take the opportunity to talk with each
22 other and make sure that you schedule your processing of this
23 litigation during the course of the summer, because I shall
24 expect either to try it or see it disposed of in some manner
25 come fall, and I am sure you would rather go by your own

1
2 agreed arrangements than you would to have the Court set up
3 a schedule for you. I will do that if I have to.

4 MR. RUSKAY: Did I understand your Honor to say
5 that you would set a trial date in the fall?

6 THE COURT: I wouldn't set a trial date until dis-
7 covery is completed, but I would look forward to trying this
8 case in the fall. This is a 67 case, and there won't be
9 very many of those left in this courthouse by fall, so get
10 together and work out your procedures to your own satis-
11 faction.

12 Good afternoon, gentlemen.
13
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MEMO ENDORSEMENT BY BRIEANT, J.

Endorsement

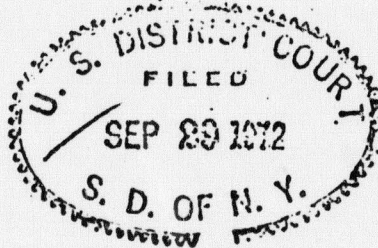
RUDOLPH V. ALOSIO, Plaintiff v. IRANIAN SHIPPING LINES, S.A.,
et al., Defendants. (and four other consolidated actions) 67 Civ. 9

This motion for an order for leave to join Nick C. Spanos individually, and as a shareholder of Iranian Shipping Lines, S.A. ("ISL") in his own behalf as an additional cross-claimant herein, and to amend the cross-claim and for other relief is denied.

Spanos, as a co-managing director, is presently being permitted to manage this litigation in behalf of ISL. There is no present need for him to be named as a shareholder suing derivatively in the right of the other shareholders in this Iranian corporation. Such unnecessary procedure would unduly proliferate this already complicated litigation. If in fact Spanos is a stockholder, a question not reached at this time, and in the event that at some future time the corporation is incapacitated from continuing the litigation, either by a court appointed trustee, a receiver or by its co-managing director, Spanos, then, and in any such event, the motion may be renewed. The relief requested appears at this point unnecessary, and seems to have been made solely for tactical reasons. The balance of the motion, to amend the cross-claim and caption, etc., is likewise denied for the same reasons.

So Ordered.

Dated: New York, New York
September 19, 1972



Charles L. Briant, Jr.

CHARLES L. BRIEANT, JR.
U. S. D. J.

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ENDORSEMENT BY BRIEANT, J.

(pp. 147a-149a)
Endorsement

RUDOLPH V. MOSIO, Plaintiff v. IRANIAN SHIPPING LINES, S.A.,
et al., Defendants. 67 Civ. 9

The annexed motion of defendant Midland Bank and Trust Company ("Movant") pursuant to Rules 11 and 12(f) for an order dismissing the cross claim filed by Iranian Shipping Lines, S.A. ("ISL") and vacating the appearances of Joseph A. Ruskay, Esq. and Nick C. Spanos, Esq. as attorneys for ISL for want of authority is denied, without prejudice to renew on a showing of facts indicating absence of actual authority.

A stipulation of substitution of counsel, by which Joseph A. Ruskay, Esq. was authorized to appear as attorney of record and to file the pleadings sought to be dismissed, was signed in behalf of ISI solely by Nick C. Spanos in his capacity as co-managing director. Movant asserts that ISL is an Iranian corporation and that its "statutes" [equivalent to a Certificate of Incorporation] provide that operating authority is delegated to two co-managing directors, to be exercised only upon both signatures. Movant observes that Spanos only, signed the stipulation of substitution, and that the other co-managing director did not sign. The other co-managing director, we are told, is now one Karafotias, who is a defendant in this action, and obviously would not authorize the corporation to file a claim in which he and other members of his family were named as defendants.

Under the circumstances of this case, Movant is not barred by laches from raising the issue of Spanos' authority. The determination by Judge Cannella, over the opposition of some parties, that Spanos would be permitted to appear as co-counsel pro hac vice is not law of the case as to Spanos' authority. Movant is not precluded from raising the issue by the prior proceedings for, as correctly pointed out in the reply affidavit of Paul M. Hopkins, Esq., "concealment of a lack of authority cannot be bootstrapped . . . into a position of authority which they did not have to begin with."

A corporate resolution not expressly revoked, will not become revoked merely by passage of time, or because the authority of Babayan, also referred to therein, may have been terminated.

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Also, the fact that the company grew in size from that point in time will not of itself effect a revocation.

ISL effected a general appearance in this action on June 10, 1968 by the filing of an answer. Persons within the corporation having standing to question Spanos' authority have remained silent since that time. The resolution of the Board of Directors of ISL dated March 28, 1964, appears to be in order and so far as any factual evidence proffered on this motion is concerned, is still in force and effect. This resolution purports to grant Spanos authority to "institute legal action against any person and/or party for the collection of all funds due and owed to the company" (Exhibit 1 to cross-claimants reply affidavit, filed June 2, 1972). If Spanos could be shown to lack actual authority he has, at the very least, apparent authority, with which he has been clothed by an act of the corporation. Because the corporation invested him with such apparent authority, and additionally, because of laches since 1968, all proceedings conducted without actual notice of any claimed infirmity in Spanos' agency, are valid and binding on the corporation and all persons claiming from, through or under it.

One other than the principal himself contesting the apparent authority with which an agent is clothed, must present facts and not mere argument and conjecture.

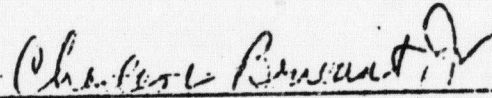
Movant and the Manta defendants, or any other parties to the record may, if so advised, conduct a limited discovery by taking the depositions on oral questions, of those persons available in the District, or by written interrogatories to those not present, with respect to the nature and extent of Spanos' authority and whether such authority is still in full force and effect. Such oral depositions, if taken, will be conducted before the Hon. Samuel C. Coleman, who has heretofore been appointed as Special Master by Judge Gurfein for the purposes of facilitating other areas of discovery in the action. The expense of such additional discovery, including the cost of the transcript and the reasonable value of such portion of the services of Judge Coleman, as are directly related to the additional discovery, shall be paid in the first instance by those seeking the discovery and at the conclusions of the

litigation will be taxed as costs to abide the event.

Movant, or other parties wishing to avail themselves of the opportunity to conduct such discovery before Judge Coleman shall notify the Special Master, in writing within 20 days from the date hereof, of such intention. Failure to do so will be deemed a waiver.

So Ordered.

Dated: New York, New York
September 17, 1972



CHARLES L. BRIANT, JR.
U. S. D. J.

RUDOLPH V. ALESSIO, Plaintiff v. IRANIAN SHIPPING LINES, S.A., et al., Defendant; ATLANTIC STEAMERS SUPPLY CO., INC. OF PENNSYLVANIA, et al., Intervening Plaintiffs, v. IRANIAN SHIPPING LINES, S.A., et al., Second Defendants; BAY RIDGE OPERATING CO., INC., Second Intervening Plaintiffs, v. IRANIAN SHIPPING LINES, S.A., et al., Second Defendants; GULF OIL TRADING COMPANY, Third Intervening Plaintiffs, v. IRANIAN SHIPPING LINES, S.A., et al., Third Defendants; IRANIAN SHIPPING LINES, S.A., a corporation, Cross-Claimant v. PETER MORAYTES, et al., Impleaded Defendants. 67 Civ. 9

Motion by defendant and purported cross-claimant, Iranian Shipping Lines, S.A. ("ISL"), for an order to bring in additional parties defendant and to plead a cross-claim against these parties is granted, subject to strict compliance with the terms of this memorandum.

In support of this application, we are advised by the affidavit of Nick C. Spanos that the cross-claim seeks to assert in behalf of the corporation its rights, "based essentially on the same facts, circumstances, occurrences and transactions out of which the claims of the original plaintiff and intervening plaintiffs arose."

The cross-claims are founded on diversion, waste and misappropriation of assets of ISL pursuant to an alleged wrongful conspiracy, in violation of the anti-trust laws in order to diminish competition in the shipping industry to and from American ports, by driving ISL out of business, and breach of fiduciary duty. The movant asserts jurisdiction may be obtained over the additional named proposed defendants, but the Court does not now determine the validity of these assertions as to domicile, residence and amenability to process, contained in the moving affidavit.

Other parties resist the application on the ground of lack of authority on the part of Spanos (an issue disposed of in connection with a related motion, decided this date) and further that the proposed pleading (1) fails to state a cause of action, (2) is barred by the statute of limitations or laches, and (3) there are indispensable parties not joined.

SEP 20 1972

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We believe the proposed pleading states a cause of action. It, under the circumstances of this long pending litigation, puts those named on notice that they are charged with having conspired for the purpose of eliminating ISL from the shipping industry engaged in the foreign commerce of the United States. The function of a pleading is to give notice, and under the circumstances of this case, such notice appears adequate.

Whether in truth and in fact there was such a conspiracy, or whether defendants were merely operating in separate groups or entities for the purpose of advancing their own financial interests to the detriment of ISL's creditors and shareholders, is a question which must await the trial. The facts present fair ground for litigation and as a matter of discretion leave to serve the cross-claim and bring in the additional parties should be and is granted.

The prior, much amended "cross-complaint" is a nullity, not having been served with leave of court. It is dismissed. The proposed cross and third party complaint shall be corrected, retyped and filed as a single pleading. The order to be entered hereon shall make proper provision with respect to service thereof on the present parties to the record and the additional defendants.

Such cross-complaint should plead with certainty the acts, and the approximate dates thereof, relied upon to sustain the contention that the statute of limitations has been tolled by the secrecy of these defendants, their clandestine conduct or their use of a secret code. There should also be set forth, allegations as to how and when such alleged concealment came to light. Further, to the extent possible, the times when the defendants entered the conspiracy and first acted in accordance therewith, should be specifically pleaded. Such pleading should be served within 20 days following the date of the order to be entered hereon.

Defenses such as statute of limitations may not be easily disposed of at the pleading stage, and nothing herein contained will bar litigation of that issue in the future. The Court finds no laches. The issues previously involved in the

litigation and fully disclosed in the course of discovery, are factually close: what we have here is a change of theory or the injection into the matter of an additional theory of liability. Although Spanos, the guiding party behind ISL is a lawyer and should be held to a greater standard in the conduct of business affairs than the ordinary layman, it appears likely that he has considered during the recent course of this litigation that the underlying factual issues were at all times before the Court. While it is true that the swift, orderly administration of justice has already been impeded in this litigation, it appears to the Court that granting leave to implead may have the effect of expediting the litigation rather than delaying it because all of the issues will be brought in and all of the parties considered culpable will be before the Court, and unnecessary future duplication will thus be avoided.

Joint tort-feasors are involved. It does not appear on this state of the record that there are any indispensable parties over whom jurisdiction cannot be obtained and with respect to which due process considerations demand their presence before the Court. While there may be some doubt as to whether some defendants may be served or even found, at this stage of the proceedings, this possibility should not prevent the serving of the cross-claim.

We are told that according to the official docket of the Court, ISL has never filed an answer to the intervening complaints. We find ISL has made a general appearance in these actions and the Court directs that such responsive pleading, if it is to be filed, shall be so filed within 20 days from the date of the order to be entered hereon, or the right to do so will be waived.

The difficulties which have affected this litigation lead the Court to believe that it will best be resolved if all claims and contentions are fully pleaded, laid on the record and eventually put to rest by final judgment.

Settle Order on notice.

Dated: New York, New York
September 29, 1972

Charles L. Briant, Jr.
CHARLES L. BRIANT, JR.
U. S. D. J.

SUMMONS

(pp. 153a-153a-1)

153a

United States District Court

FOR THE

SOUTHERN DISTRICT OF NEW YORK

IRANIAN SHIPPING LINES, S.A.,
a corporation,

Cross-Claimant,

CIVIL ACTION FILE NO. 67 Civ. 9

-against-

PETER MOPAITES; WALTER N. JONES;
JOHN PERSEC; HIGHLAND BANK & TRUST
COMPANY; GUARANTY BANK & TRUST COMPANY;
ROBERT DE COTIIS; KASSER AFENAE;
YVONNE AFENAE; LELAND SWINBURNE;
MILTON PILALAS; JAMES KATZ-CORIS;
GEORGE L. MANTA; HELEN MANTA; MARK F.
MANTA (a/k/a FRANK MANTA); STEPHEN A.
MANTA (a/k/a STEVE MANTA); LEO J. MANTA
and MARK F. MANTA as CO-EXECUTORS of
the ESTATE OF JOHN L. MANTA; J. L.
MANTA, INC.; MANTA VIA-COS STEEL
CORPORATION; MANTA INVESTMENTS, INC.;
CHRIST KARAPOTIAN; PAUL DEMOS;
SEYMOUR F. SLOAN; CHRIST AVAGIOTIS;
EASIL VLAVIAROS; LOUIS LERIS; LEVIN,
KREIS, RUSKIN & COYEN, a partnership;
SOUTH SHIPPING COMPANY, S.A.; IRAN
LINE, S.A.; JAN C. UYTENDYK; JAN C.
UYTENDYK CO., INC.; ARYA SHIPPING
LINES, S.A.; AMER MANTOUME CORPOR-
ATION; ABELT CHAIK; HASS LABAYAN;
NORTON LILLY & CHERALY, INC.;
DEMOS, KARAPOTIAN & DEMOS, a partner-
ship; and TELIS DEMOS a/k/a DEMOS,
TRAVEL BUREAU,

Impleaded Defendants.

SUMMONS

To the above named Impleaded Defendants:

You are hereby summoned and required to serve upon JOSEPH A. RUSKAY
and NICK C. SPANOS

cross-claimant's attorneys, whose address is c/o Joseph A. Ruskey, 122

East 42nd Street, New York, New York 10017

BEST COPY AVAILABLE

153a-1

an answer to the cross complaint which is herewith served upon you, within 20 days after service of this summons upon you, exclusive of the day of service. If you fail to do so, judgment by default will be taken against you for the relief demanded in the complaint.

JOHN LIVINGSTON
Clerk of Court.

E. A. BUCKER
Deputy Clerk.

Date: October 28, 1972

153a-1 of Court

AMENDED CROSS CLAIM

(pp. 154a-180a)

UNITED STATES DISTRICT COURT OF
SOUTHERN DISTRICT OF NEW YORK

ROSCOPH V. ALGOSIO,

Plaintiff,

-against-

IRANIAN SHIPPING LINES, S.A., et al.,

Defendants.

AMERICAN OVERSEAS AIRWAYS CO., INC.
OF PASADENA, CALIF.,

Intervening Plaintiff,

-against-

IRANIAN SHIPPING LINES, S.A., et al.,

Second Defendants.

BAY BIRCH OPERATIONS CO., INC.,

Second Intervening Plaintiff,

-against-

IRANIAN SHIPPING LINES, S.A., et al.,

Second Defendants.

GULF OIL TRADING COMPANY,

Third Intervening Plaintiff,

-against-

IRANIAN SHIPPING LINES, S.A., et al.,

Third Defendants.

67 Civ. 9

AMENDED
Cross-Claim

IRANIAN SHIPPING LINES, S.A.,
a corporation,

155a

Cross-Claimant,

-against-

PETER MOPAITES; WALTER N. JONES;
JOHN FLEISCH; MIDLAND BANK & TRUST
COMPANY; GUARANTY BANK & TRUST COMPANY;
ROBERT DE COTIIS; KASSEM ATTAR;
YVONNE ARSHAR; EDWARD STINEBAUGH;
MILTON PALALAS; JAMES KATSCOURIS;
GEORGE L. MANTA; HELEN MANTA; MARK F.
MANTA (a/k/a FRANK MANTA); STEPHEN A.
MANTA (a/k/a STEVE MANTA); LEO J. MANTA
and MARK F. MANTA as CO-EXECUTORS of
the ESTATE OF JOHN L. MANTA; J. L.
MANTA, INC.; MANTA VIN-COR STEEL
CORPORATION; MANTA INVESTMENTS, INC.;
CHRIST KARAFOTIIS; PAUL DEMOS;
SEYMOUR F. SIMON; CHRIST AVAGIOTIS;
EASIL VLAVIANOS; ROBERT KEFIS; LEVIN,
KREIS, RUSKIN & CYCOP, a partnership;
SOUTH SHIPPING COMPANY, S.A.; IRAN
LINE, S.A.; JAN C. UITENDYK; JAN C.
UITENDYK CO., INC.; ARYA SHIPPING
LINES, S.A.; AMER MARITIME CORPOR-
ATION; AHMET CHAFIK; HASK DALAYAN;
NORTON LILLY & COMPANY, INC.;
DEMOS, KARAFOTIIS & CHRONES, a partner-
ship; and TELIS DEMOS d/b/a DEMOS
TRAVEL BUREAU,

Impleaded Defendants.

-----X

Defendant Iranian Shipping Lines, S.A. (hereinafter
ISL) cross-claims against the Impleaded Defendants and,
demanding a jury, complains and alleges against them as
follows:

C O U N T O N E

I

Cross-Claimant

1. ISL is a corporation organized and existing under
the laws of Iran. From prior to July 15, 1965, until some
time after July 15, 1966, ISL owned free and clear of mortgage
three dry cargo vessels of Iranian registry (the SHIRAZ, the

HAMADAN, and the KASHAN) of approximately 10,000 dead weight tons each.

2. From approximately March, 1965, to approximately July, 1966, ISL operated both owned and chartered vessels in the foreign commerce of the United States and carried exports from United States Gulf and Atlantic ports to ports in the Persian Gulf and imports from ports in the Persian Gulf and various ports of opportunity enroute, to ports in the United States. From approximately January, 1965, to August, 1966, ISL maintained offices in New York, had agents and employees there and incurred debts in New York which are owed to citizens and residents of New York.

3. ISL was the first company or party to operate dry cargo vessels of Iranian registry between ports in the United States and ports in the Persian Gulf; and ISL was the only company or party ever to do so until some time after July, 1966. In the period approximately April, 1965, to April, 1966, ISL's gross freight earnings were in excess of \$6,500,000. The largest part of such freights was earned by vessels ISL operated on a regularly scheduled monthly liner service. However, the figure given also includes freight earned on more than 100,000 tons of Public Law 480 wheat shipments carried with chartered vessels on sailings in addition to the regularly scheduled monthly sailings.

4. During its operation, ISL had and enjoyed the benefit of valuable rights, preferences and support extended to it by the Government of Iran. These included the selection of ISL as one of the Iranian companies designated by the Government

of Iran to be a member participant in a program and organization for their common economic development sponsored by the Governments of Turkey, Pakistan and Iran, and commonly known as the ECD (and so referred to herein).

5. At all times since prior to July, 1965:

(a) ISL's authorized capital consisted of 200 shares having a par value of six hundred sixty dollars (\$660.00) each and represented by share certificates numbered 1 to 200.

(b) The first 98 of said share certificates were all issued to citizens of the United States as follows: shares 1 to 96 were issued and held by Nick C. Spanos (SPANOS); share 97 was issued and held by John L. Manta at least until his death in November of 1968; and share 98, by appropriate action of ISL's Board of Directors in May of 1965, was ordered issued and to be held by Impleaded Defendant Christ Karafotias.

(c) Share certificates 99 to 186 inclusive were issued and held by Cargo & Shipping, S.A., a corporation organized under the laws of Iran; and share certificates numbered 187 to 200 inclusive were issued and held by Mr. Amir Aslan Afshar. On information and belief Impleaded Defendant Hask Babayan was at all times prior to at least 1967 the controlling shareholder of said Cargo & Shipping, S.A.

(d) ISL's Articles of Association provided that absolute power over the management of ISL was vested in a five man Board of Directors, that three of those directors were to be elected by the holders of share certificates 1 to 98 inclusive and the remaining two by the holders of shares 99 to 200 inclusive; and that the Board should elect two of its members as "Co-Managing Directors", whose signatures, following and subject to appro-

priate action by the Board, would be necessary on all documents binding the company.

(e) The members of ISL's Board were SPANOS, the said Amir Aslan Afshar, the said Hask Babayan, the said Christ Karafotias and, until his death in November, 1968, the said John L. Manta.

(f) The two Co-Managing Directors of ISL were SPANOS and the said Hask Babayan until July 17, 1966, when the Board voted to replace Babayan with said Christ Karafotias.

II

Impleaded Defendants

6. On information and belief: Impleaded Defendants Peter Moraites (MORAITES), Walter N. Jones (JONES), John Pensec (PENSEC), and Robert De Cotiis (DE COTIIS) and each of them is a citizen and resident of New Jersey; Impleaded Defendant Edward Swinburne (SWINBURNE) is a citizen and resident of New York; Impleaded Defendant Milton Pilalas (PILALAS) is a citizen and resident of Connecticut or New York; Impleaded Defendants Nasser Afshar and Yvonne Afshar (hereinafter collectively referred to as NASSER) are citizens and residents of Virginia; and Impleaded Defendant James Katsouris (KATSOURIS) is a citizen and resident of Pennsylvania.

7. On information and belief: Impleaded Defendant Midland Bank and Trust Company of Paramus, New Jersey, (MIDLAND) is a corporation organized and existing under the laws of New Jersey and Impleaded Defendant Guaranty Bank and Trust Company (GUARANTY) is a corporation organized and existing under the laws of the State of Illinois.

8. At all times since prior to March, 1966, and through to at least 1969, MORAITES, JONES and PENSEC and each of them were agents and officers or Directors of MIDLAND and MORAITES transacted business for MIDLAND from offices at 26 Broadway, New York, New York, where papers, files and records belonging to MIDLAND were, from time to time, delivered and kept. KASSLER, pursuant to a written appointment by GUARANTY, has at all times since July, 1966, been the agent and attorney in fact for GUARANTY and in that capacity has acted and performed services for GUARANTY in this District. On information and belief: KASSLER, PILALAS and KATSOUBIS and each of them are and have been business associates of MORAITES, JONES, PENSEC and MIDLAND.

9. On information and belief: Impleaded Defendants George L. Manta (GEORGE MANTA), Helen Manta (HELEN MANTA), Mark F. Manta (FRANK MANTA), Stephen A. Manta (STEVE MANTA), Leo J. Manta and Mark F. Manta as co-executors of the Estate of John L. Manta (CO-EXECUTORS), Christ Karafotias (KARAFOTIAS), Paul Demos (DEMOS) and Seymour F. Simon (SIMON) and each of them are citizens and residents of Illinois; Impleaded Defendant Christ Avaliotis (AVALIOTIS) is a citizen and resident of Pennsylvania, and Impleaded Defendant Basil Vlavianos (VLAVIANOS) is a citizen and resident of New York. On information and belief: Impleaded Defendants J. L. Manta, Inc., and Manta Investments, Inc., are Illinois corporations and Impleaded Defendant Manta Vin-Cor Steel Corporation is a Delaware corporation; Demos, Karafotias and Chronos (CHRONOS) is a partnership whose members, individually and as co-partners, are engaged as co-partners in the practice of law in the State of Illinois

with offices at 111 West Washington Street, Chicago, Illinois; Impleaded Defendants Telis Demos (DEMOS TRAVEL) individually and doing business as Demos Travel Bureau is a citizen and resident of Illinois, sharing office space with CHEONES; HELEN MANTA is the wife of GEORGE MANTA; KARAFOTIAS is the son-in-law of GEORGE MANTA and HELEN MANTA; STEVE MANTA and the CO-EXECUTORS are sons of JOHN MANTA; and DEMOS and DEMOS TRAVEL are uncles of KARAFOTIAS. Some or all of the Impleaded Defendants named and identified in this paragraph may hereinafter, for convenience, be sometimes collectively referred to as the MANTA DEFENDANTS.

10. On information and belief: Impleaded Defendant Robert Kreis (KREIS) is a citizen and resident of New York, and Impleaded Defendant Levin, Kreis, Ruskin & Gyroy (LEVIN) is a partnership engaged in the practice of law in the State of New York with offices at 55 Liberty Street, New York, New York. On information and belief: LEVIN is the successor to the firm of Kreis and Kreis and reference herein to LEVIN may, unless otherwise indicated, include Kreis and Kreis.

11. At all relevant times since prior to July, 1965, KREIS and LEVIN and each of them have owed ISL the duties of an attorney to a client.

12. At all times since prior to July, 1965, KARAFOTIAS has been a Director of ISL and has, at all times since July 17, 1966, also been one of ISL's two Co-Managing Directors. The late John L. Manta (JOHN MANTA) was a Director of ISL at all times beginning prior to July, 1965, and up to the date of his death in November, 1968.

13. At all times from prior to March 1, 1966, until at least January 1, 1967, STEVE MANTA, under written powers of attorney, was authorized to exercise the powers of at least one and at times two and three of the Directors of ISL. FRANK MANTA, since prior to May, 1966, and until November, 1968, under a written power of attorney, was authorized to exercise JOHN MANTA's powers as a Director of ISL.

14. On information and belief: Impleaded Defendants South Shipping Lines, S.A. (SOUTHLINE), Iran Line, S. A. (IRANLINE), Arya Shipping Lines, S.A. (ARYA), and each of them is a corporation organized and existing under the laws of Iran and each, beginning some time after July, 1966, has been and is now engaged in the foreign trade and commerce of the United States, and operates owned or chartered vessels along the same route and in the same trade as the route and trade in which the vessels of ISL were operated prior to July, 1966.

15. On information and belief: Impleaded Defendants Ahmet Chafik (CHAFIK) and Hask Babayan (BABAYAN) and each of them is a citizen and resident of Teheran, Iran.

16. On information and belief: Impleaded Defendant Jan C. Uiterwyk is a citizen and resident of New York; Impleaded Defendants Jan C. Uiterwyk Co., Inc. (UITERLYK), Amber Maritime Corporation (AMBER) and Norton Lilly & Co., Inc. (NORTON) and each of them is a corporation organized and existing under the laws of New York. On information and belief: AMBER and NORTON are agents for ARYA and UITERWYK is the agent for both SOUTHLINE and IRANLINE.

17. Some or all of the Impleaded Defendants named and identified in paragraphs 19, 20 and 21 immediately preceding may, for convenience, sometimes be hereinafter referred to as the TEHERAN DEFENDANTS.

18. On information and belief: CHAFIK, either directly or indirectly, has a financial interest in some one or more or all of the following: SOUTHLINE, IRANLINE and ARYA. On information and belief BABAYAN, either directly or indirectly, has a financial interest in some one or more or all of the following: SOUTHLINE, IRANLINE and ARYA.

19. On information and belief: the MANTA DEFENDANTS, either directly or indirectly, have a financial interest in some one or more or all of the following: SOUTHLINE, IRANLINE, ARYA and UITERBYK.

20. The foregoing are not all the members of the unlawful conspiracy herein charged. Additionally, various other companies and individuals whose identity or participation or both is presently unknown to ISL may have participated in the said conspiracy. If and when ISL becomes informed of their identity and participation, ISL may seek leave to amend this Cross-Claim so as to include them either as named defendants or merely as members of the said combination and conspiracy.

III

Jurisdiction and Venue

21. Jurisdiction of this Court with respect to the causes of action alleged in this COUNT ONE is invoked under

the doctrine of pendent jurisdiction. Impleaded Defendants and each of them participated in the wrongful acts herein-after complained of including some which took place in this District and some which had effect in this District. Under the provisions of Rule 4 of the Federal Rules of Civil Procedure and N.Y. C.P.L.R. Sections 302 and 313, each is within the jurisdiction of this Court for the purpose of service. Venue is proper in this District under the provisions of 28 U.S.C., Section 1391.

IV

Offenses Charged

22. Beginning prior to July, 1965, at a time unknown to ISL and continuing to date, the Impleaded Defendants are and have been engaged in a wrongful conspiracy to defraud and damage ISL, its creditors and minority shareholders by operating ISL without sufficient capital, rendering it insolvent so that they, posing as creditors, could wrongfully seize its vessels and assets for their private account and benefit. Some of the Impleaded Defendants joined the said combination and conspiracy earlier than others, but all had become parties to it by at least September, 1970, and each and all of them fully subscribed to its goals, namely (a) the wrongful and unjust enrichment of the Impleaded Defendants at the expense of ISL, its creditors and minority shareholders, and (b) that said combination and conspiracy should remain and be concealed and undetected so that none of the conspirators would suffer any consequences or liability by reason of their participation therein.

23. The following are some, but not all of the things which were from time to time, since prior to July, 1965, agreed would be done pursuant to said wrongful conspiracy:

(a) that JOHN MANTA, KARAFOTIAS, FRANK MANTA, STEVE MANTA, KREIS and LEVIN and each of them would continue in the position of trust and confidence which each respectively had with ISL, but that each would secretly abuse his respective position of trust and confidence in violation of his fiduciary obligations to ISL in order to further and advance the purposes of the conspiracy;

(b) that the MANTA DEFENDANTS would secure and maintain effective and de facto control of ISL by controlling ISL's five man Board of Directors through powers of attorney and by falsely publicizing themselves to be ISL's largest creditors whose purported claims included, according to their false representations, \$826,000 secured by ISL notes payable to the order of JOHN MANTA;

(c) that the MANTA DEFENDANTS would use their de facto control of ISL to disrupt and demoralize ISL's organization and employees, to divert substantial revenues of ISL into unauthorized and illegally operated bank accounts for their secret and private benefit, to saddle ISL with excessive and fictitious debts and expenses, to prevent ISL from keeping adequate financial records and from raising needed capital and operating funds and to keep ISL underfinanced and in a state of continuous insolvency, thus making it impossible for ISL to acquire the kind of vessels and facilities it needed and to attract experienced shipping executives, personnel and staff;

(d) that GUARANTY, in 1965 or 1966, and MIDLAND, in March, 1966, would permit the MANTA DEFENDANTS to wrongfully and illegally open and operate bank accounts and to secure unauthorized loans purportedly for ISL;

(e) that the MANTA DEFENDANTS, in April, 1966, would fraudulently enable the fraudulent and wrongful seizure by MIDLAND of all of ISL's quick assets leaving ISL financially unable to complete voyages then in progress and causing the almost immediate arrest of ISL's vessels, the abrupt termination of their voyages and the total financial collapse of ISL in the period April to June, 1966;

(f) that the Impleaded Defendants would falsely represent NASSER to be a man of wealth and influence in Iran closely connected with the royal family of Iran and further make him appear to be ISL's largest and most important by far, single creditor whose claims would be so large as to discourage ISL's bona fide creditors from a contest with NASSER over ISL's assets;

(g) that the Impleaded Defendants would therefore conceal the fact that except for advances wrongfully made to NASSER in 1966 by MIDLAND and the MANTA DEFENDANTS, NASSER was insolvent, and was, in fact, out on bail awaiting sentence from the United States District Court for the District of New Jersey for criminal income tax evasion;

(h) that the MANTA DEFENDANTS would contribute to NASSER's false image by secretly selling NASSER ISL notes payable to the order of JOHN MANTA in the amount of \$144,000, and in addition, selling to NASSER two further ISL notes dated July 3, 1965, payable purportedly to the order of JOHN MANTA and totaling \$686,000, which the MANTA

DEFENDANTS knew were not the property of either the MANTA DEFENDANTS or JOHN MANTA;

(i) that, to confirm and enhance NASSER's purported legitimacy and to further enlarge the dollar volume of claims against ISL which NASSER purportedly represented and thus increase his effectiveness in the seizure of ISL assets, GUARANTY in July, 1966, would in writing appoint NASSER its attorney in fact to act for GUARANTY in collecting GUARANTY's purported claims against ISL of some \$110,000;

(j) that JOHN MANTA and KARAFOTIAS and each of them would give NASSER power of attorney to act for each in the capacity each had as a Director and shareholder of ISL;

(k) that JOHN MANTA and KARAFOTIAS and each of them would give NASSER additional power of attorney to act for each against ISL in the collection of claims against ISL which each purported to have;

(l) that in addition to the use of fraud and deceit, the MANTA DEFENDANTS and NASSER would use NASSER's status as attorney in fact for GUARANTY to persuade SPANOS, in July and August of 1966, to give NASSER a power of attorney to act for SPANOS in Iran in SPANOS's capacity as a Director and Co-Managing Director of ISL;

(m) that NASSER, purporting to be ISL's largest and most important creditor, would, in July, 1966, and thereafter seize and attach all of ISL's assets including particularly ISL's vessels, and without any notice to or consent from ISL sell them for the secret and private profit and benefit of the Impleaded Defendants, all without the knowledge and consent of ISL and without any notice or accounting to ISL;

(n) that to finance the activities of the MANTA

DEFENDANTS and of NASSER in connection with the seizure of ISL's assets, MIDLAND would make secret loans to NASSER and the MANTA DEFENDANTS even though MIDLAND knew such loans could not be justified as legitimate banking transactions;

(o) that the TEHERAN DEFENDANTS, to insure ISL's permanent inability to seek redress for the wrongs done it or to defend itself or to rehabilitate and restore its name and reputation and business, would take whatever steps necessary, including wrongful and fraudulent steps, to bring about the dissolution of ISL and the end of its corporate existence;

(p) that NASSER and the MANTA DEFENDANTS, to give NASSER time to attach ISL's vessels in his own name before ISL's judgment creditors could attach them, would, in July and August, 1966, pretend to reach agreement with said judgment creditors and then once NASSER had attached the vessels in his own name, would avoid and repudiate such agreement;

(q) that the MANTA DEFENDANTS would seek to defeat the rights of ISL's creditors by any conceivable means and by resorting even to illegal acts, including the theft or embezzlement of genuine ISL share certificates, the wrongful sale of same to NASSER, forgery, and the fabrication and manufacture of counterfeit documents submitted by the MANTA DEFENDANTS as evidence for this Court to consider in judging the claims of ISL's creditors herein;

(r) that, after giving lip service to their avowed intention to have BABAYAN jailed for his abortive and unsuccessful effort, in July, 1966, to convert and embezzle the value of ISL's vessels before the other Impleaded Defendants could seize them, the other Impleaded Defendants

would thereafter accept BABAYAN as a member of the unlawful combination and conspiracy and share with him the profits and benefits thereof;

(s) that JOHN MANTA, KARAFOTIAS, BABAYAN, FRANK MANTA, STEVE MANTA, KREIS and LEVIN and each of them, in further breach of their fiduciary obligations and duties as Co-Managing Directors, Directors, or attorneys in fact for Directors of ISL, or as attorney and counsel for ISL, would secretly engage in activities from prior to March, 1966, and to date which were directly competitive to the business of ISL and aid and assist ISL's competitors, the TEHERAN DEFENDANTS, to take over ISL's business without any payment therefore to ISL, its creditors or minority shareholders;

(t) that the Impleaded Defendants would keep their contacts with each other and their activities secret and clandestine even to the point of using a secret code in communications regarding ISL and the TEHERAN DEFENDANTS;

(u) that the TEHERAN DEFENDANTS would reward and compensate all of the other Impleaded Defendants for their efforts in furtherance of the objects and purposes of the conspiracy.

24. In formulating and effectuating the aforesaid conspiracy, the Impleaded Defendants did those things which they conspired to do.

V

Fraudulent Concealment and Statute of Limitations

25. The events whose direct result was the financial

ruin and destruction of ISL took place as alleged in subparagraph (c) of paragraph 23 above in the period April to June, 1966, less than six years before the filing by ISL of its Cross-Claim in this action. The wrongful conspiracy above described pursuant to which the acts and events during the period April to June, 1966, were caused to take place was carried on by the Impleaded Defendants fraudulently and secretly both before and after April 1, 1966. The secrecy and concealment of this wrongful conspiracy was made possible by the abuse on the part of JOHN MANTA, KARAFOTIAS, FRANK MANTA, STEVE MANTA, KREIS and LEVIN, and each of them of the position of trust and confidence which each respectively had with ISL. ISL had no knowledge of such conspiracy and no knowledge of facts which might have led to the discovery of this concealed conspiracy to defraud ISL, its creditors and minority shareholders prior to at least July, 1966. It was not until July and August, 1966, when the events described in subparagraph (p) of paragraph 23 above took place that ISL first learned of facts indicating the existence of the conspiracy hereinabove alleged. The resort to secrecy and fraud by Impleaded Defendants to conceal and avoid detection of the above conspiracy which concealment was rendered effective and made possible only by the abuse of their fiduciary positions and breach of their fiduciary obligations on the part of JOHN MANTA, KARAFOTIAS, FRANK MANTA, STEVE MANTA, KREIS and LEVIN and each of them amounts to fraudulent concealment which has the effect of tolling the running of any statute of limitations applicable to the matters charged above.

26. Additionally, the running of all statutes of limitation has been independently tolled ever since at least September 17, 1968, when the first intervening complaint herein was filed by judgment creditors of ISL.

VI

Injury to ISL and Damages

27. The Impleaded Defendants throughout have acted willfully and deceitfully and with intent to injure ISL, its creditors and minority shareholders.

28. By reason of the unlawful combination and conspiracy and the wrongful conduct pursuant thereto hereinbefore alleged and as a result thereof, ISL has suffered damage in excess of at least \$5,650,000.

WHEREFORE, cross-claimant prays:

A. That the alleged conspiracy, among the Impleaded Defendants be adjudged and decreed to be wrongful and in violation of the rights of cross-claimant, its creditors and minority shareholders;

B. That judgment in the amount of damage suffered by cross-claimant as a result of the wrongful conduct of the Impleaded Defendants be entered in favor of cross-claimant and jointly and severally against the Impleaded Defendants and each of them;

C. That judgment for punitive damages be entered in favor of cross-claimant jointly and severally against MORAITES.

MIDLAND, NASSER, GEORGE MANTA, HELEN MANTA, FRANK MANTA, STEVE MANTA, KARAFOTIAS, the CO-EXECUTORS, DEMOS, DEMOS TRAVLL, CHRONES, SIMON, KREIS, CHAFIK and BABAYAN and each of them in the sum of \$250,000 each.

D. That cross-claimant recover its cost of litigation including a reasonable attorneys' fee;

E. That this Court issue an injunction directing the Impleaded Defendants forthwith and during the pendency of this litigation, to cease from any further effort to cause cross-claimant's dissolution and to end its corporate existence, and

F. That cross-claimant have such other and further relief as to the Court may seem just and proper.

C O U N T T W O

VII

29. Cross-Claimant ISL re-alleges and incorporates by reference herein each and every allegation contained in paragraphs 1 to 24 inclusive of COUNT ONE.

VIII

Jurisdiction and Venue

30. The jurisdiction of this Court as to the subject matter of the cause of action alleged in this COUNT TWO is invoked under (a) the doctrine of pendent jurisdiction, and independently thereof under (b) the provisions of Section 4 of the Act of Congress, October 15, 1914, c. 323, 38 Stat. 731 as amended (15 U.S.C. 15), entitled "An Act to Supplement

Existing Laws Against Unlawful Restraints and Monopolies, and For Other Purposes", commonly known as the Clayton Act, to recover damages which ISL had sustained due to the violation by the Impleaded Defendants of Sections 1, 2 and 8 of the Act of Congress of July 2, 1890, c. 647, 26 Stat. 209, as amended (15 U.S.C. 1, 2 and 8) entitled, "An Act to Protect Trade and Commerce Against Unlawful Restraints and Monopolies", commonly known as the Sherman Act.

31. The foreign trade and commerce hereinafter described is carried on, in part, within the Southern District of New York and many of the unlawful acts done pursuant to the combination and conspiracy hereinafter alleged have been performed within this District. Impleaded Defendants and each of them participated in the wrongful acts hereinafter complained of including some which took place in this District and some which had effect in this District. Under the provisions of Rule 4 of the Federal Rules of Civil Procedure and N.Y. C.P.L.R. Sections 302 and 313, each is within the jurisdiction of this Court for the purpose of service.

32. Venue is proper in this District as to all Impleaded Defendants under the provisions of 28 U.S.C. Section 1391. At all relevant times each of the corporate Impleaded Defendants had an office or an agent or transacted business or was or is found within this District and each of the non-corporate Impleaded Defendants had an office or an agent or transacted business or was or is found within this District. Therefore an alternative and independent basis for venue in this District is provided by 15 U.S.C.

Section 22 as to each of the corporate Impleaded Defendants, and under the provisions of 15 U.S.C. Section 15 as to each of the non-corporate Impleaded Defendants.

IX

Nature of Trade and Commerce

33. During the period since prior to March, 1965, and down to date:

(a) United States dry cargo exports moving from United States Gulf and Atlantic ports to ports in the Persian Gulf included both general and bulk cargo.

(b) A bulk cargo is a large shipment of a single commodity (e.g., wheat) taking up all, or a substantial portion of the available space in one or more vessels. Many, but not all bulk cargo shipments were covered by United States Public Law 480. A general cargo is made up of many separate different items and kinds of goods and merchandise no one of which takes up all or any substantial percentage of the available space on any vessel.

(c) Most general cargo moving from United States Gulf and Atlantic ports to ports in the Persian Gulf, was carried by shipping companies engaged in what is known as a "liner service", i.e., operating vessels (whether owned or chartered) on regularly scheduled sailings with a frequency generally of at least one a month.

(d) The companies engaged in liner service were of many nationalities, viz., United States (Isthmian Lines and States Marine Lines), Greek (Hellenic Lines), German (Hansa Lines), Dutch (Nedlloyd), Scandinavian (Concordia Line) and Iranian (ISL, Arya, Iran Line and South Shipping Line).

(e) Sometimes bulk cargo was carried along with general cargo by a vessel making a regularly scheduled sailing; generally, however, bulk cargoes were carried on bulk carriers sailing on dates fixed for each particular shipment rather than according to a predetermined schedule of regular sailings.

(f) Generally the carriage of bulk cargo was arranged for by a system of competitive bidding and the shipping company quoting the lowest freight rate was awarded the contract for the carriage of such bulk cargo. No such system of competitive bidding applied as to general cargo.

(g) The shipping companies engaged in liner service as aforesaid, also competed in bidding for contracts to carry bulk cargo; however, there were in addition many other companies which competed for the award of bulk cargo contracts, but which were not engaged in any liner service.

(h) Both general cargo and bulk cargo moved in interstate commerce among the several states before reaching their port of embarkation where they became a part of the foreign trade and commerce of the United States.

34. During the period since prior to March, 1965, and down to date: United States dry cargo imports coming into the United States on liner service vessels, consisted of both general and bulk cargoes from ports not always in the Persian Gulf (cargo was sometimes picked up at ports of opportunity along the route back to the United States). The shipping companies carrying such imports included those above identified whose liner service carried United States dry cargo imports originating in the Persian Gulf ports included dry fruits, skins and critical ore materials such

as manganese and chrome.

35. The shipment by sea of United States dry cargo exports and imports on vessels trading between United States Gulf and Atlantic ports and ports in the Persian Gulf is a part of the foreign commerce of the United States and any diminution of or restraint upon or elimination of competition in the shipment of such goods necessarily and directly affects, interferes with and unreasonably restrains the foreign commerce of the United States.

X

Offenses Charged

36. Beginning prior to March, 1966, at a time unknown to ISL and continuing to date, the Impleaded Defendant are and have been engaged in an unlawful combination and conspiracy in unreasonable restraint of the aforesaid foreign trade and commerce in violation of Sections 1, 2 and 8 of the Act of Congress of July 2, 1890, amended (15 U.S.C., Sections 1, 2 and 8), commonly known as the Sherman Act. Some of the Impleaded Defendants joined the said combination and conspiracy earlier than others, but all had become parties to it by at least September, 1970, and each and all of them fully subscribed to its goals, namely (a) the permanent elimination of ISL as a competitor in the commerce of the United States with foreign nations in the Persian Gulf; (b) the monopolizations of that commerce by the TEHERAN DEFENDANTS; and (c) that said combination and conspiracy should remain and be concealed and undetected so that none

of the conspirators should suffer any consequences or liability by reason of their participation therein.

37. The substantial terms of the said combination and conspiracy consisted of a continuing over-all agreement to cause the financial and economic ruin of ISL and the takeover of ISL's business and assets (including its vessels or their value and its receivables) by the Impleaded Defendants without any payment to ISL or its creditors and to make any revival or restoration of ISL's liner service or competition in the aforesaid commerce practically impossible, by destroying ISL's credit, name and reputation with ISL suppliers, shippers and customers, including the Government of Iran, and thus, among other things, causing ISL to be dropped as one of the Iranian participant members of the RCD.

38. Some but not all of the overt acts and things which were from time to time, since prior to March, 1966, agreed would be done and which were done, pursuant to said wrongful combination and conspiracy are set forth and alleged in paragraphs 23 and 24 above and the subparagraphs thereof, each and all of which are incorporated by reference herein as though fully set forth.

XI

Effects of the Conspiracy

39. The aforesaid combination and conspiracy has had the following effects: (a) although still an existing legal entity, ISL has been otherwise completely destroyed and the competition of ISL in the foreign commerce of the United

States has been completely eliminated and suppressed; and (b) persons and parties, including ISL, involved in the shipment of exports and imports from and to the United States have been denied and deprived of the rights and benefits of free and open competition.

XII

Fraudulent Concealment
and
Statute of Limitations

40. The unlawful combination and conspiracy alleged in this Count was carried on by the Impleaded Defendants with secrecy and by the use of fraud and deception, including the breach and abuse by the defendants JOHN MANTA, KARAFOTIAS, BABAYAN, FRANK MANTA, STEVE MANTA, KREIS and LEVIN and each of them of their respective fiduciary obligations and duties as Co-Managing Directors, Directors or attorneys in fact for Directors of ISL or attorneys and counsel for ISL, and through the adoption and use of an elaborate scheme designed to and which did conceal the discovery of such conspiracy. ISL had no knowledge of the conspiracy alleged in this Count and no knowledge of facts which might have led to the discovery of this concealed conspiracy even with the exercise of due diligence prior to January, 1970.

41. ISL acquired its first knowledge of any facts giving notice of the existence of the conspiracy alleged in this Count in approximately June of 1970, when ISL's representatives were, pursuant to the orders of this Court, permitted to examine documents which this Court had ordered the MANTA DEFENDANTS to produce. Prior to ISL's examination of these

documents ISL had never known that the MANTA DEFENDANTS, both prior and subsequent to April 1, 1966, had been in secret contact with persons in Iran whose antagonism and hostility to ISL was well known by everyone including the MANTA DEFENDANTS, and that the MANTA DEFENDANTS were in communication with such persons both prior and subsequent to April 1, 1966, on the subject of commencement of a new Iranian line operating to the United States which would be directly competitive with ISL. ISL's first intimation of this state of affairs came in approximately June, 1970, when ISL learned for the first time from one of the documents produced that in May of 1966, the MANTA DEFENDANTS were communicating with someone in Teheran identified in code only as "TOMTO", as regards the commencement of a liner service from ports in the United States to ports in the Persian Gulf which would be directly competitive with ISL.

42. The resort to secrecy and fraud by the Impleaded Defendants to conceal and avoid detection of the unlawful combination and conspiracy alleged in this Count which concealment was rendered effective and made possible only by the abuse of their fiduciary positions and breach of their fiduciary obligations on the part of JOHN MANTA, KARAFOTIAS, BABAYAN, FRANK MANTA, STEVE MANTA, KREIS and LEVIN and each of them amounts to fraudulent concealment which has the effect of tolling the running of any statute of limitations applicable to the violations of law and causes of action alleged in this Count.

43. Alternatively, the running of all statutes of limitation has been independently tolled ever since at least September 17, 1968, when the first intervening complaint

herein was filed by judgment creditors of ISL.

XIII

Injury to ISL

44. By reason of the unlawful conduct of the Impleaded Defendants alleged herein, ISL has suffered damage to its business and property. As a result of said unlawful conduct, ISL revenues in excess of \$500,000 were wrongfully diverted; ISL lost three vessels whose fair market value was in excess of \$900,000 and receivables in excess of \$250,000; and ISL was left with unpaid debts (exclusive of cargo claims) in excess of \$1,000,000 and unpaid cargo claims for goods lost, destroyed, damaged or delayed by reason of the arrest, as aforesaid, of ISL's vessels in excess of \$500,000. Additionally, ISL was wrongfully deprived of its right to compete for profits in the foreign commerce of the United States free of unlawful restraint. But for the unlawful conduct of the Impleaded Defendants alleged herein, ISL would have earned profits in excess of \$250,000 a year; and by the loss of its said right to compete for profits and the total destruction of its business, ISL suffered additional and further damage in excess of \$2,500,000.

45. As a result of the violations of the antitrust laws hereinbefore alleged, ISL has been injured and financially damaged in its business and property in excess of at least \$5,650,000.

WHEREFORE, cross-claimant prays:

A. That the alleged combination and conspiracy among

the Impleaded Defendants be adjudged and decreed to be in unreasonable restraint of trade in violation of Sections 1, 2 and 8 of the Sherman Act;

B. That judgment be entered in favor of cross-claimant and jointly and severally against the Impleaded Defendants and each of them in an amount treble the amount of damage suffered by cross-claimant as a result of the Impleaded Defendants' violation of the antitrust laws, as required by Section 4 of the Clayton Act (15 U.S.C. 15);

C. That cross-claimant recover its costs of litigation, including a reasonable attorneys' fee as required by Section 4 of the Clayton Act (15 U.S.C. 15); and

D. That cross-claimant have such other and further relief as to the Court may seem just and proper.

C O U N T T H R E E

XIV

46. Cross-claimant ISL re-alleges and incorporates by reference herein each and every allegation contained in paragraphs 28 to 40 inclusive of COUNT TWO.

47. Impleaded Defendants are even now continuing their wrongful efforts to have ISL dissolved and bring an end to its corporate existence. These efforts did not begin until after this litigation had been pending for more than two years.

48. Forty-eight percent of the shares of ISL are

opposed to any dissolution or end of its corporate existence, at least until after ISL's rights have been determined and passed upon herein. No legitimate reason has been suggested by anyone justifying the dissolution of ISL at this time and in view of the pendency of this litigation. Under ISL's Articles of Association, a resolution to dissolve or liquidate ISL cannot legitimately be carried if it is opposed by as many as forty-eight percent of the shares issued and outstanding.

49. Nevertheless, on information and belief, the TEHERAN DEFENDANTS are actively seeking to bring about the dissolution of ISL. In view of the provisions of ISL's Articles and the opposition of forty-eight percent of the shares, the TEHERAN DEFENDANTS must, on information and belief, hope to accomplish their result by some fraud or trick.

50. The efforts to dissolve ISL are obviously an attempt to undermine and destroy the jurisdiction of this Court. Yet this Court represents the only means which, as a practical matter, the minority shareholders and creditors of ISL have for the protection of their rights. Moreover, this litigation also involves the preservation of free and open competition in the foreign commerce of the United States, a matter which is affected with a public interest.

51. In these circumstances any attempt by parties before this Court to bring about the disestablishment of the jurisdiction of this Court, should not be countenanced. Should such an effort succeed, it will clearly harm ISL, its creditors and minority shareholders; that harm may be irreparable;

moreover, it is a harm for which ISL, its creditors and minority shareholders will have no adequate remedy at law.

WHEREFORE, corss-claimant prays that this Court:

A. Issue an injunction directing the Impleaded Defendants forthwith and during the pendency of this litigation, to cease from any further effort to cause cross-claimants' dissolution and to end its corporate existence;

B. Grant such further and other relief as to this Court seems proper.

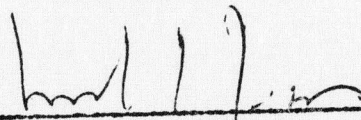
Dated: New York, New York
October 27, 1972

JOSEPH A. RUSKAY

and

NICK C. SPANOS

By



Nick C. Spanos

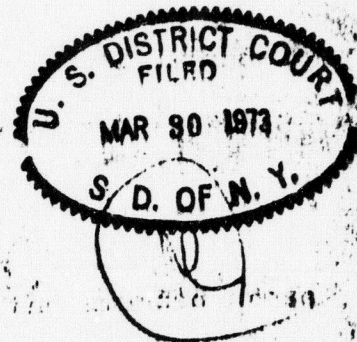
Attorneys for cross-claimant
IRANIAN SHIPPING LINES, S.A.
122 East 42nd Street
New York, New York 10017
Telephone: OX 7-3140

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IRANIAN SHIPPING LINES, S.A.,
a corporation

Cross-Claimant

- against -



PETER MORAITES; WALTER N. JONES; JOHN
PENSEC; MIDLAND BANK & TRUST COMPANY;
GUARANTY BANK & TRUST COMPANY; ROBERT
DE COTIIS; NASSER AFSHAR; YVONNE AFSHAR;
EDWARD SWINBURNE; MILTON PILALAS; JAMES
KATSOURIS; GEORGE L. MANTA; HELEN MANTA;
MARK P. MANTA (a/k/a/ FRANK MANTA);
STEPHEN A. MANTA (a/k/a/ STEVE MANTA);
LEO J. MANTA and MARK P. MANTA as
CO-EXECUTORS OF THE ESTATE OF JOHN L.
MANTA; J.L. MANTA, INC.; MANTA VIN-
COR STEEL CORPORATION; MANTA INVESTMENTS,
INC.; CHRIST KARAFOTIAS; SYMON T. BINON;
CHRIST AVALINIS; BASIL AVALINOS;
ROBERT KREIS; LEVIN KREIS; RUSKIN &
GYORY, a partnership; BOMIL SHIPPING
COMPANY, S.A.; IRAN LINES, S.A.;
JAN C. GITERNYK; JAN C. GITERNYK CO.
INC.; ARYA SHIPPING LINES, S.A.; AMER-
MARITIME CORPORATION; AHMET CRAFT;
HASE BAYAN; NORTON LILLY & CO., INC.;
DEMOS, KARAFOTIAS & CHRONES, a partner-
ship, and TELIS DEMOS d/b/a DEMOS
TRAVEL BUREAU,

ANSWER TO AMENDED
CROSS CLAIM DATED
OCTOBER 27, 1972

67 Civ. 9-208

Impleaded Defendants

Impleaded defendants ROBERT KREIS and LEVIN KREIS,
RUSKIN & GYORY, appearing respectively by his attorney and BY
me, and as and for their answer to the complaint herein allege:

1. Deny knowledge sufficient to form a belief with
respect to the paragraphs of the Complaint numbered 1, 2, 3, 4,
5, 7, 8, 9, 12, 13, 14, 15, 16, 17, 18, 19, 20, 33, 34, 40 and
49.

2. Deny the paragraphs of the Complaint numbered
11, 21, 22, 23, 24, 25, 26, 27, 28, 30, 31, 32, 35, 36, 37, 38,
39, 40, 41, 42, 43, 44, 45, 47, 50 and 51.

3. Admit the first sentence of paragraph 10 of the Complaint, and except as so admitted, deny each and every allegation thereof.

4. With respect to paragraphs 29 and 46 defendants herein repeat and reallege the allegations above set forth in answer to the paragraphs referred to therein.

AS A FIRST SEPARATE DEFENSE

5. The allegations set forth in the amended cross claim purport to describe events which took place, substantially at the latest in or before 1965, 1966 and various unspecified times which are beyond any applicable statutes of limitations, including especially the allegations with respect to defendants ROBERT KREIS and LEVIN, KREIS, RUSKIN & GYORY; upon such allegations, this action as to ROBERT KREIS and LEVIN, KREIS, RUSKIN & GYORY, was not commenced within any applicable statute of limitations, including but not limited to sections 213 and 214 of Title 15 of U.S. Code, Act of October 3, 1917, 40 Stat. 296, as added July 7, 1955, c. 283, §1, 69 Stat. 283; and the provisions of state law in New York, Illinois and elsewhere.

WHEREFORE defendants demand judgment dismissing the complaint herein, together with costs and disbursements of this action,

LEVIN, KREIS, RUSKIN & GYORY

By 

A Member of the Firm
Pro se, and as attorneys for
defendant, Robert Kreis,
Office and P.O. Address
55 Liberty Street
New York, N.Y. 10005
964-8711

BEST COPY AVAILABLE

OFFICE COPY

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SERVED 5/30/78 H. H. H.

FILED _____

----- x
RUDOLPH V. ALOSIO,

DOCKETED 5/24/78

: COURT 5/24/78

Plaintiff, :

-against- :

IRANIAN SHIPPING LINES, S.A., et al., :

Defendants. :

----- x
ATLANTIC STEAMERS SUPPLY CO., INC. :
OF PENNSYLVANIA, et al., :

67 Civ. 9

Intervening Plaintiffs, :

-against- :

(Judge Briant Jr.)

IRANIAN SHIPPING LINES, S.A., et al., :

Second Defendants. :

----- x
BAY RIDGE OPERATING CO., INC., :

Second Intervening Plaintiffs, :

-against- :

IRANIAN SHIPPING LINES, S.A., et al., :

Second Defendants, :

ANSWER TO
AMENDED CROSS-CLAIM

183a-1

- - - - - x

GULF OIL TRADING COMPANY, :

Third Intervening Plaintiffs, :

-against- :

IRANIAN SHIPPING LINES, S.A., et al., :

Third Defendants. :

- - - - -
- - - - - x

Sworn to before me, this day of

19 "

FILED BY

LB
clt/s

IRANIAN SHIPPING LINES, S.A.,
a corporation,

Cross-Claimant,

-against-

PETER MORAITES; WALTER N. JONES; JOHN
PENSEC; MIDLAND BANK & TRUST COMPANY;
GUARANTY BANK & TRUST COMPANY; ROBERT
DE COTIIS; NASSER AFSHAR; YVONNE AFSHAR;
EDWARD SWINBURNE; MILTON PILALAS;
JAMES KATSOURIS; GEORGE L. MANTA; HELEN
MANTA; MARK F. MANTA (a/k/a FRANK MANTA);
STEPHEN A. MANTA (a/k/a STEVE MANTA);
LEO J. MANTA and MARK F. MANTA as CO-
EXECUTORS of the ESTATE OF JOHN L.
MANTA; J. L. MANTA, INC.; MANTA VIN-COR
STEEL CORPORATION; MANTA INVESTMENTS,
INC.; CHRIST KARAFOTIAS; PAUL DEMOS;
SEYMOUR F. SIMON; CHRIST AVALIOTIS;
BASIL VLAVIANOS; ROBERT KREIS; LEVIN,
KREIS, RUSKIN & GYORY, a partnership;
SOUTH SHIPPING COMPANY, S.A.; IRAN
LINE, S.A.; JAN C. UITERWYK; JAN C.
UITERWYK CO., INC.; ARYA SHIPPING LINES,
S.A.; AMBER MARITIME CORPORATION;
AHMET CHAFIK; HASK BABAYAN; NORTON
LILLY & COMPANY, INC.; DEMOS, KARAFOTIAS
& CHRONES, a partnership; and TELIS
DEMOS d/b/a DEMOS TRAVEL BUREAU,

Impleaded Defendants.

----- x

George L. Manta, Helen Manta, Mark F. Manta
(also known as Mark Frank Manta), Stephen A. Manta (also
known as Steve Manta), Leo J. Manta and Mark F. Manta
as Co-Executors of the Estate of John L. Manta, J. L.
Manta, Inc., Manta Vin-Cor Steel Corporation, Manta Invest-
ments Inc., Christ Karafotias, Demos, Karafotias and
Chrones and Telis Demos doing business as Demos Travel

COUNT I

1. Deny each and every allegation contained in Paragraph 1 except admit that ISL is a corporation organized under the laws of Iran; and upon information and belief, that ISL was the owner of the vessels named "Kashan", "Hamadan" and "Shiraz".
2. Deny each and every allegation contained in Paragraphs 2 and 3 except admit that ISL operated both owned and chartered vessels.
3. Deny each and every allegation contained in Paragraph 4 except admit upon information and belief that ISL was selected to be a member participant in RCD.
4. Deny each and every allegation contained in Paragraph 5 and respectfully refer to ISL's official stock transfer ledgers, Articles of Association and minutes of meetings of its Board of Directors for an accurate statement of the entries therein, terms thereof and actions taken thereat.
5. Deny knowledge or information thereof sufficient to form a belief as to the truth or falsity of the allegations contained in Paragraphs 6, 7, 8, 10, 11, 14, 15, 16, 17 and 18.

6. Deny knowledge or information thereof sufficient to form a belief as to the truth or falsity of the allegations contained in Paragraph 9, except as to these answering defendants, whose residences, places of incorporation and family relationships are admitted as alleged.

7. Deny each and every allegation contained in Paragraph 12 except admit that defendant Karafotias has been a director and managing director of ISL and that the late J. L. Manta was a director of ISL prior to his death.

8. Deny each and every allegation contained in Paragraph 13 except admit that defendant Steve Manta was a holder of certain written powers of attorney, and respectfully refer to the contents thereof for an accurate description of the powers contained therein.

9. Deny knowledge or information thereof sufficient to form a belief of the truth or falsity of the allegations contained in Paragraphs 19, 20, 21, 22, 23, 24, 25, 26, 27 and 28; except deny each and every allegation contained therein insofar as the allegations refer to these answering defendants.

COUNT II

10. Repeat and re-allege each answer previously made to the allegations re-alleged and incorporated by reference in Paragraph 29.

11. Deny each and every allegation contained in Paragraphs 30, 31 and 32, and respectfully refer to the statutes cited for accurate statements of their content.

12. Deny knowledge or information thereof sufficient to form a belief as to the truth or falsity of the allegations contained in Paragraphs 33 and 34.

13. Deny each and every allegation contained in Paragraph 35.

14. Deny knowledge or information thereof sufficient to form a belief as to the truth or falsity of the allegations contained in Paragraphs 36, 37, 38, 39, 40, 41, 42, 43, 44 and 45, except deny each and every allegation contained therein insofar as the allegations refer to these answering defendants.

COUNT III

15. Repeat and re-allege each answer previously made to the allegations re-alleged and incorporated by reference in Paragraph 46.

16. Deny knowledge or information sufficient to form a belief as to the truth or falsity of the allegations contained in Paragraphs 47, 48, 50 and 51, except deny each and every allegation contained therein insofar as they refer to these answering defendants.

17. Deny knowledge or information thereof sufficient to form a belief as to the truth or falsity of the allegations contained in Paragraph 49.

FIRST DEFENSE

18. The amended cross-claim fails to state a cause of action upon which relief can be granted against these answering defendants.

SECOND DEFENSE

19. Count II of the amended cross-claim fails to state a cause of action upon which relief can be granted against these answering defendants under the Clayton and Sherman Acts by whose authority it is allegedly brought.

THIRD DEFENSE

20. This court lacks jurisdiction over the persons of these answering defendants.

FOURTH DEFENSE

21. The causes of action alleged in the amended cross-claim are barred by the applicable Statute of Limitations.

FIFTH DEFENSE

22. Count II of the amended cross-claim is barred by the Statute of Limitations under the Clayton and Sherman Acts.

SIXTH DEFENSE

23. The causes of action alleged in the amended cross-claim are barred by gross laches.

SEVENTH DEFENSE

24. By order of Judge Charles L. Brieant, Jr., dated September 29, 1972, cross-claimant ISL was granted leave to file and serve the amended cross-claim, provided that such cross-claim plead with certainty the acts and approximate dates thereof relied upon to sustain the contention that the Statute of Limitations has been tolled by the secrecy of certain defendants, their clandestine conduct or their use of a secret code; and allegations as to how and when such alleged concealment came to light. Further,

to the extent possible, the dates when the defendants entered the conspiracy and first acted in accordance therewith, should be specifically pleaded.

25. The amended cross-claim has failed to plead with certainty and specificity allegations concerning the acts mentioned in Paragraph 24 herein, pursuant to the said order by Judge Brieant and therefore the amended cross-claim, having failed to meet the requirements of said order, is a nullity and of no force and effect.

EIGHTH DEFENSE

26. The filing of the cross-claim by the attorneys representing ISL was not authorized by the Board of Directors of ISL or any other legitimate body acting on behalf of such Board of Directors, and the attorneys for ISL are unauthorized to file and proceed with the cross-claim against these answering defendants.

NINTH DEFENSE

27. This court lacks jurisdiction over the subject matter of this litigation.

TENTH DEFENSE

28. That upon information and belief, Hask Babayan and Ahmet Chafik are indispensable parties to this action under Rule 19 of the Federal Rules of Civil Practice, without whom a just and complete disposition cannot be completed herein and cross-claimant ISL has been unable and/or unwilling to effect service upon said Hask Babayan and Ahmet Chafik, and therefore the amended cross-claim cannot be maintained.

ELEVENTH DEFENSE

29. That at all times mentioned in the amended cross-claim the affairs and interests of these answering defendants, insofar as relevant to the subject matter of this litigation, was conducted and represented by one Nicholas C. Spanos ("Spanos"), to the extent that he acted or purportedly acted, variously, as agent, attorney, fiduciary, and managing director of cross-claimant ISL.

30. Upon information and belief, said Spanos owned a substantial personal interest in ISL, and actively dominated, directed and participated in the management and conduct of its affairs in a personal, as well as in a representative capacity, as hereinbefore alleged.

31. That if any of the acts or omission which cross-claimant ISL alleges as the basis of liability against these answering defendants did in fact occur, then such acts or omissions were the acts or omissions of said Spanos, in excess, contravention, and violation of his authority and obligations as agent, attorney, fiduciary and managing director, and not of these answering defendants, and liability resulting therefrom to these answering defendants is the liability of said Spanos.

AS AND FOR A CROSS-CLAIM AGAINST
IMPLEADED DEFENDANT NASSER AFSHAR

32. Upon information and belief Nasser Afshar ("Nasser") falsely and fraudulently represented to certain of these answering defendants that said Nasser was a man of wealth and influence in Iran closely connected with the royal family of Iran and would act on behalf of these answering defendants and ISL and protect their best interests in Iran.

33. That these answering defendants, as a result of such false and fraudulent representations, delivered to said Nasser certain stock certificates and notes of ISL to be used in furtherance of the best interests of ISL in Iran; and John Manta and Christ Karafotias each gave to Nasser a power of attorney to act for each of them in the capacity

of director and shareholder of ISL and to collect claims against ISL.

34. Upon information and belief, Nasser falsely and fraudulently used said notes, stock certificates and powers of attorney for his own use and for the use and benefit of others, and to the detriment of ISL and these answering defendants, contrary to representations and commitments made by Nasser to these answering defendants, and instructions of these answering defendants to Nasser.

35. Upon information and belief Nasser interfered with these answering defendants' rights as stockholders, directors and creditors of ISL as more fully alleged in the first and second intervening complaints previously filed in this action, and amended cross-claim of ISL, to the detriment and the damage of these answering defendants.

36. Upon information and belief, Nasser performed the aforesaid acts willfully and deceitfully and with intent to injure and damage ISL, its creditors, minority shareholders and these answering defendants, and did so commit injury and damage in excess of \$1,000,000.

AS AND FOR A FIRST CROSS-CLAIM AGAINST
IMPLEADED DEFENDANT HASK BABAYAN

37. Upon information and belief, impleaded defen-

dant Hask Babayan ("Babayan") is a director and stockholder and/or controlling shareholder of a stockholder of ISL.

38. That upon information and belief, Babayan took acts individually and in concert with the said Nicholas C. Spanos to wrongfully divert assets and revenues of ISL, and acted in breach of his fiduciary obligations and duties as a director of ISL to the detriment, injury and damage of ISL and of these answering defendants.

AS AND FOR A SECOND CROSS-CLAIM AGAINST
IMPLEADED DEFENDANT HASK BABAYAN

39. Upon information and belief Babayan falsely and fraudulently represented to these answering defendants that he would act on behalf of these answering defendants and ISL and protect their best interests in Iran.

40. That these answering defendants, as a result of such false and fraudulent representations, entrusted to the said Babayan certain documents and responsibilities concerning the affairs of ISL.

41. Upon information and belief Babayan falsely and fraudulently used such documents and responsibilities for his own use and for the use and benefit of others, and to the detriment of ISL and these answering defendants,

contrary to representations made by Babayan to these answering defendants and instructions of these answering defendants to Babayan.

42. Upon information and belief Babayan interfered with these answering defendants rights as stockholders, directors and creditors of ISL as more fully alleged in the first and second intervening complaints previously filed in this action, and amended cross-claim of ISL, to the detriment and the damage of these answering defendants.

43. Upon information and belief, Babayan performed the aforesaid acts willfully and deceitfully and with intent to injure and damage ISL, its creditors, minority shareholders and these answering defendants and did so commit injury and damage in excess of \$1,000,000.

WHEREFORE, George L. Manta, Helen Manta, Mark F. Manta, Stephen A. Manta, Leo J. Manta and Mark F. Manta as Co-Executors of the Estate of John L. Manta, J. L. Manta, Inc., Manta Vin-Cor Steel Corporation, Manta Investments Inc., Christ Karafotias, Demos, Karafotias and Chrones and Telis Demos doing business as Demos Travel Bureau, respectfully pray:

A. that the amended cross-claim be dismissed as to them;

B. that judgment in the amount of damage suffered by these answering defendants as a result of the wrongful conduct of Nicholas C. Spanos be entered in favor of these answering defendants against said Nicholas C. Spanos;

C. that judgment in the amount of damage suffered by these answering defendants as a result of the wrongful conduct of Nasser Afshar be entered in favor of these answering defendants against said Nasser Afshar;

D. that judgment in the amount of damage suffered by these answering defendants as a result of the wrongful conduct of Hask Babayan be entered in favor of these answering defendants against said Hask Babayan;

E. that these answering defendants recover their cost of litigation including a reasonable attorney's fee; and

F. such other and further relief as to this court may seem just and proper.

Dated: New York, New York
May 30, 1973

BOOTH, LIPTON & LIPTON

By S. Philip Peirce
Member of the Firm
Attorneys for Manta Defendants
292 Madison Avenue
New York, New York 10017
(212) 686-0644

OFFICE COPY

197a

ANSWER TO AMENDED CROSS CLAIM OF DEFENDANT ARYA
NATIONAL SHIPPING LINES (pp.197a-201a)
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

RECEIVED

MAY 31 1973

KISSAM & HALPIN

POST MARKED.....?

-----x
RUDOLPH V. ALOSIO,

Plaintiff,

-against-

IRANIAN SHIPPING LINES, S.A., et al.,

Defendants.
-----x

RECEIVED 5/30/73
SERVED

FILED

DOCKET 5/31/73

CLERK

ATLANTIC STEAMERS SUPPLY CO., INC.
OF PENNSYLVANIA, et al.,

Intervening Plaintiffs,

-against-

IRANIAN SHIPPING LINES, S.A., et al.,

Second Defendants.
-----x

(Hon. Charles
L. Brieant)

67 Civ. 9

ANSWER OF
DEFENDANT, ARYA
NATIONAL SHIPPING
LINES, S.A. TO AMENDED
CROSS-CLAIM

BAY RIDGE OPERATING CO., INC.,

Second Intervening Plaintiffs,

-against-

IRANIAN SHIPPING LINES, S.A., et al.,

Second Defendants.
-----x

GULF OIL TRADING COMPANY,

Third Intervening Plaintiffs,

-against-

IRANIAN SHIPPING LINES, S.A., et al.,

Third Defendants.
-----y

IRANIAN SHIPPING LINES, S.A.,
a corporation,

Cross-Claimant,

-against-

PETER MORAITES, WALTER N. JONES,
JOHN PENSEC, MIDLAND BANK & TRUST
COMPANY, GUARANTY BANK & TRUST
COMPANY, ROBERT DE COTIIS, NASSER
AFSHAR, YVONNE AFSHAR, EDWARD SWINBURNE,
MILTON PILALAS, JAMES KATSOURIS,
GEORGE L. MANTA, HELEN MANTA, MARK F.
MANTA (a/k/a FRANK MANTA), STEPHEN A.
MANTA (a/k/a STEVE MANTA), LEO J. MANTA
and MARK F. MANTA as CO-EXECUTORS OF
THE ESTATE OF JOHN L. MANTA, J. L.
MANTA, INC., MANTA VIN-COR STEEL
CORPORATION, MANTA INVESTMENTS, INC.
CHRIST KARAFOTIAS, PAUL DEMOS,
SEYMOUR F. SIMON, CHRIST AVALIOTIS,
BASIL VLAVIANOS, ROBERT KREIS, LEVIN,
KREIS, RUSKIN & GYORY, a partnership,
SOUTH SHIPPING COMPANY, S.A., IRAN
LINE, S.A., JAN C. UITERWYK, JAN C.
UITERWYK CO., INC., ARYA SHIPPING
LINES, S.A., AMBER MARITIME CORPOR-
ATION, AHMET CHAFIK, HASK BABAYAN,
NORTON LILLY & COMPANY, INC.,
DEMOS, KARAFOTIAS & CHRONES,
a partnership, and TELIS DEMOS
d/b/a DEMOS TRAVEL BUREAU,

Impleaded Defendants.

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AS TO COUNT ONE

Defendant, Arya National Shipping Lines, S.A., sued
herein as Arya Shipping Lines, S.A., by its attorneys, Kirlin,
Campbell & Keating, answers the complaint upon information
and belief as follows:

1. It denies knowledge or information sufficient to

form a belief as to the truth of the allegations contained in paragraphs numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 15, 17, 18, 19, 20.

It admits the allegations of paragraph 14 pertaining to it and denies it has knowledge or information sufficient to form a belief as to the truth of the allegations in said paragraph as they may relate to other defendants.

2. It admits that Norton, Lilly & Company, Inc. is a corporation organized and existing under the laws of New York and admits it has been an agent for Arya since February , 1972. It denies each and every other allegation contained in paragraph numbered 16 pertaining to it and denies it has knowledge or information sufficient to form a belief as to the truth of the allegations contained in said paragraph as they may relate to other defendants.

3. It denies each and every allegation contained in paragraph numbered 21 of the complaint, except admits that plaintiff seeks to invoke jurisdiction of this court on the basis of the statutory provisions referred to in said paragraph 21.

4. It denies the allegations in paragraphs numbered 22, 23, 24, 25, 26 of the complaint insofar as they relate to Arya National Shipping Lines, S.A., but denies knowledge or information sufficient to form a belief as to the truth of the allegations as they may relate to the other defendants.

5. It denies every allegation of paragraphs numbered 27, 28, A, B, C, D, E, F of the complaint insofar as they relate to Arya National Shipping Lines, S.A. and denies it has sufficient knowledge or information to form a belief as to the truth of the allegations as they may relate to any other defendant or to the alleged profitable operations of plaintiff.

AS TO COUNT TWO

6. It denies every allegation of paragraphs numbered above of the complaint insofar as they relate to Arya National Shipping Lines, S.A. and denies it has sufficient knowledge or information to form a belief as to the truth of the allegations as they may relate to any other defendant or to the alleged profitable operations of plaintiff.

7. It denies each and every allegation contained in paragraphs numbered 30-32 of the complaint, except admits that plaintiff seeks to invoke jurisdiction of this court on the basis of the statutory provisions referred to in said paragraphs 30, 31.

8. It denies each and every allegation contained in paragraphs numbered 33-45 insofar as they relate to Arya National Shipping Lines, S.A. and denies it has sufficient knowledge or information to form a belief as to the truth of the allegations as they may relate to any other defendant or to the alleged profitable allegations of plaintiff.

9. It denies each and every allegation contained in paragraphs numbered A, B, C, D.

AS TO COUNT THREE

10. Defendant repeats and incorporates by reference herein each and every response to the allegations contained in paragraphs 28-40 inclusive of Count Two.

11. It denies each and every allegation contained in paragraphs numbered 48-51 insofar as they relate to it and denies it has sufficient knowledge or information to form a belief as to the truth of the allegations as they may relate to any other defendant.

AFFIDAVIT OF SERVICE
BY MAIL

STATE OF NEW YORK)
 : SS.:
COUNTY OF NEW YORK)

I, Richard Freund being duly sworn, deposes and
says:

that Deponent is not a party to the action, is over 18
years of age and resides at 8405 1st Ave. North Bergen, N.J.

On May 24, | 1977 deponent served the within
 Appendix upon the following

attorneys in this action, at:

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Stephan A. Manta, Leo J. Manta, Leo J. and Frank
J. Manta as coexecutors. J. L. Manta, Inc., Manta
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Alpine, N. J.

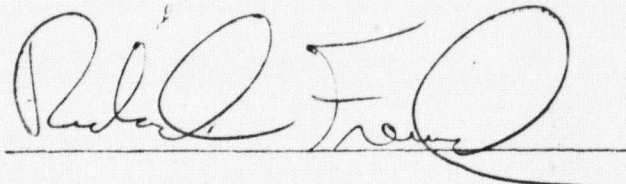
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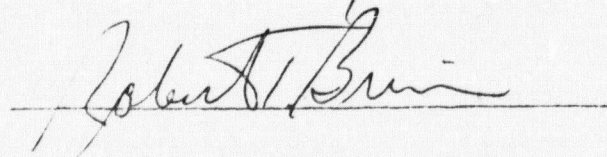
David Simon, Esq.
Attorneys for Wasser Afshar, Yvonne Afshar, Edward
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New York, N. Y. 10001

the addresses designated by said attorneys for that purpose
by depositing a true copy of same enclosed in a post-paid
properly addressed wrapper in an official depository under the
exclusive care and custody of the United States Postal Service
within the State of New York.



Sworn to before me this

24th day of MAY, 1977.



ROBERT T. BRIN
Notary Public, State of New York
No. 31, 0418959
Jurat of New York County
Expires March 30, 1979

